



# Interlink Network Inc. Operating Regulations



15 March 2015





# Interlink Network, Inc. Operating Regulations

15 March 2015

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VISA PUBLIC

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# **Interlink Network, Inc. Operating Regulations**

## **Summary of Changes for this Edition**

## Interlink Network, Inc. Operating Regulations Summary of Changes for this Edition 15 March 2015

Change	Description	Section
Enhancement to Chargeback Reason Code 2453 – Not as Described or Defective	The Interlink Operating Regulations Reason Code 2453 - Chargeback condition 4 has been revised to include additional Transaction types (e.g., business opportunities) if the terms of sale have been misrepresented.	Chargeback Rights and Limitations – Reason Code 2453
BIN Release Modification	Additional requirements have been included to strengthen the rule language specifying that the liability for dispute activity and fees incurred under BIN Licensee assignment will remain with the Licensee until after the BIN has been released.  The time period that Visa will hold BINs prior to final release will be reduced from 180 to 120 days, in line with the allowed dispute time-frames.	Section 1.13.A, BIN Licensing Section 1.13.B.1 Section 1.13.C, BIN Release Section 1.13.D.1, Interlink Routing ID Request Section 1.13.D.2, Interlink Routing ID Recipients Section 1.13.D.3, Interlink Routing ID Use
Global Compromised Account Recovery (GCAR) Program Enhancements and Safe Harbor Acceleration	GCAR program modifications have been made to reflect changes in the payment environment and ensure program recoveries continue to be aligned with the costs and risks created by compromise events. Additionally, the GCAR safe harbor date for Acquirers of US Chip-enabled Merchants has been accelerated by one year.  <i>The Visa Global Compromised Account Recovery Guide</i> was updated to reflect the program revisions and GCAR rules that were duplicated in the guide were removed from the Interlink Operating Regulations.	Section 2.7.A, Overview Section 2.7.B, GCAR Program Compliance Glossary: Account Data Compromise Event
Improvement and Expansion to Dispute Resolution Rules – Compelling Evidence	Revisions to the dispute resolution rules have been made to allow Acquirers to provide additional types of Compelling Evidence; introduce new Representment rights for disputes involving Airline Transactions shifting the liability from the Acquirer to the Issuer; update pre-Arbitration conditions	Section 7.2.C.5, Use of Compelling Evidence Supporting Documents to Issuer – Reason Code 2430 Section 7.4.B, Arbitration Filing Conditions

Change	Description	Section
	and certification requirements to require Issuers to certify that they have contacted the Cardholder and addressed the Compelling Evidence; and clarify the use of Compelling Evidence in the dispute resolution process. The changes impact: Interlink Reason Code 2430—Services Not Rendered or Merchandise Not Received and Interlink Reason Code 2453—Not As Described or Defective Merchandise.	Section 7.4.C.1, Pre-Arbitration Attempt Using Visa Resolve Online

## Other Revisions

Various minor editorial revisions have been made throughout the *Interlink Network, Inc. Operating Regulations* to eliminate obsolete information and help ensure clarity and consistency throughout the publication.

Most effective dates older than six months have been deleted.

## Compliance with the Operating Regulations

The *Interlink Network, Inc. Operating Regulations* is generally published once a year. The purpose of the publication is to keep Interlink Members advised of the operating requirements approved by Interlink. Each Interlink Member is fully responsible for complying with all applicable Operating Regulations. This "Summary of Changes" is intended to provide only a condensed version of the revisions approved since the last edition and does not contain the details required to operate your Interlink Program. Neither this summary, nor any other publication, replaces the most recent edition of the *Interlink Network, Inc. Operating Regulations*.

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# **Interlink Network, Inc. Operating Regulations**

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# Interlink Network, Inc. Operating Regulations

## 1 General Regulations

### 1.1 Introduction

This chapter specifies requirements that all Interlink Members must follow, and includes license, penalty, and indemnification provisions. All references to dollar amounts in the *Interlink Network, Inc. Operating Regulations*, unless otherwise specified, are in US dollars.

### 1.2 General Regulations

#### 1.2.A Interlink Member Responsibility

An Interlink Member must:

- Comply with all of the following:
  - Interlink Network, Inc. Operating Regulations
  - Interlink Network, Inc. Bylaws
  - Interlink Technical Specifications
  - Appropriate VisaNet User's Manual
  - Applicable laws or regulations
- Conduct its Interlink Program in a financially sound manner and meet all obligations to its Cardholders, Merchants, and other Interlink Members.

#### 1.2.B Amendments to the Operating Regulations

Interlink may amend the *Interlink Network, Inc. Operating Regulations*. Amendments become effective on the date specified by Interlink, or upon publication if no date is specified.

#### 1.2.C Extensions to the Interlink Network, Inc. Operating Regulations

The requirements in the publications referred to in the *Interlink Network, Inc. Operating Regulations* have the same authority as the *Interlink Network, Inc. Operating Regulations*. They are binding upon Interlink Members participating in the Interlink Program.

The *Interlink Network, Inc. Operating Regulations* govern in the event of any inconsistency or contradiction, unless Interlink specifically grants a Variance or Waiver.

## 1.2.D Requests for Variances, Waivers, and Pilots

A request for a Variance, Waiver, pilot program Waiver, or any applicable Waiver extension to the *Interlink Network, Inc. Operating Regulations* and all Extensions must be submitted to Interlink for approval.

### 1.2.D.1 Variances or Waivers to the Operating Regulations

Interlink may grant an Interlink Member's request for a Variance or Waiver to a particular rule or requirement in the *Interlink Network, Inc. Operating Regulations* or an Extension if the Interlink Member cannot comply for reasons including but not limited to:

- Member is testing a new product or service
- Member is participating in a pilot program
- Member is expanding into new market segments or countries or Interlink determines a need for a Variance or Waiver to expand acceptance, or for other purposes
- Member is unable to comply due to circumstances beyond its control, such as:
  - Natural disasters
  - Acts of war
  - Failure of public infrastructure
  - Government restrictions due to political unrest
  - Government regulation that contravenes *Interlink Network, Inc. Operating Regulations* requirements

If a Member cannot comply due to applicable laws or regulations that contravene *Interlink Network, Inc. Operating Regulations* requirements, Interlink reserves the right to require proof of the specific laws or regulations. If such proof is requested by Interlink and the laws or regulations are written in a language other than English, the Member must submit a copy of the applicable laws or regulations accompanied by an English translation.

Interlink reserves the right to adopt, amend or repeal any Variance or Waiver.

### 1.2.D.2 Variance or Waiver Submission Requirements

A Member that cannot comply with a particular rule or requirement in the *Interlink Network, Inc. Operating Regulations* or an Extension must submit a Variance or Waiver request<sup>1</sup> to Interlink for approval. The request must:

- Be submitted in writing
- Be completed in English
- Specify the regulation(s) for which the Variance or Waiver is sought

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<sup>1</sup> A Variance or Waiver request form is available from Interlink upon request.



- Contain full details about the nature and circumstances of the requested Variance or Waiver, including, but not limited to:
  - Scope
  - Business justification
  - Impact to Interlink and all participants in the Interlink Network
  - Duration
  - Any other relevant information that would enable Interlink to make a sound determination
- Be signed by an officer of the Interlink Member

### **1.2.D.3 Variance or Waiver Decision**

Interlink will notify the Member in writing regarding its decision on the Variance or Waiver request.

### **1.2.D.4 Variance or Waiver Limitations**

Each Variance or Waiver granted by Interlink is unique and limited only to the specific circumstances of the individual request. A Member must not apply a previously granted Variance or Waiver to any other future programs or services nor consider a previously granted Variance or Waiver as determining the outcome of future requests.

## **1.2.E Confidentiality**

### **1.2.E.1 Interlink Member Responsibility**

An Interlink Member must comply with all of the following:

- Prevent disclosure of any Interlink Network confidential information to any non-member
- Treat all Interlink Program documents marked “Confidential” as confidential and proprietary information of the Interlink Network
- Take reasonable measures to protect documents but treat them with at least the degree of care with which an Interlink Member treats its own confidential and proprietary information
- Disclose confidential and proprietary information only to those employees with a specific need to know

### **1.2.E.2 Interlink Use and Disclosure of Confidential Consumer Cardholder Information**

**1.2.E.2.a** Interlink Network, Inc. and its subsidiaries and affiliates will not use or disclose Confidential Consumer Cardholder Information to third parties, other than for any one of the following:

- Use or disclosure in the ordinary course of business to provide services to an Interlink Member or an Interlink Member's designated agent, including, but not limited to:
  - Completing a Transaction
  - Risk control
  - Dispute resolution
  - Marketing services
- Use or disclosure with the consent of the Cardholder
- Other use or disclosure that is in accordance with applicable law

**1.2.E.2.b** Each Canadian Member shall be responsible for ensuring that it will have obtained the appropriate knowledgeable consent from each of its Consumer Cardholders as required by applicable laws or regulations in respect of the collection, use and disclosure of such Consumer Cardholder's Confidential Consumer Cardholder Information as specified by these Operating Regulations.

### **1.2.E.3 Interlink Security of Confidential Consumer Cardholder Information**

**1.2.E.3.a** Interlink Network, Inc. and its subsidiaries and affiliates will restrict access to Confidential Consumer Cardholder Information to those employees, including employees of its subsidiaries and affiliates, who Interlink or its subsidiaries and affiliates have determined need to know such information to provide products and services to Interlink Members.

**1.2.E.3.b** Interlink Network, Inc. and its subsidiaries and affiliates will maintain physical, electronic, and procedural safeguards that are designed to:

- Maintain the security and confidentiality of Confidential Consumer Cardholder Information
- Protect against anticipated threats or hazards to the security or integrity of Confidential Consumer Cardholder Information
- Prevent unauthorized access to or use of such Confidential Consumer Cardholder Information that could result in substantial harm or inconvenience to Consumer Cardholders

**1.2.E.3.c** Interlink Network, Inc. and its subsidiaries and affiliates shall adopt policies and procedures and provide to Interlink Members appropriate reviews and reports to enable Interlink Members to monitor Interlink and its subsidiaries' and affiliates compliance with these commitments.

### **1.2.F Restrictions**

Canadian Members may only participate as Issuers in the Interlink Program.

## **1.3 Anti-Money Laundering Program**

Interlink maintains an anti-money laundering program reasonably designed within the context of laws and regulations applicable to Interlink to prevent the Interlink System from being used to facilitate money laundering or the financing of terrorist activities.

## 1.3.A Member Requirements

### 1.3.A.1 Program Implementation

Consistent with the legal and regulatory requirements applicable to an Interlink Member, an Interlink Member must implement and maintain an anti-money laundering program that is reasonably designed to prevent the use of the Interlink System to facilitate money laundering or the financing of terrorist activities.

### 1.3.A.2 Member Responsibilities

An Interlink Member must cooperate with Interlink in the administration of the Interlink anti-money laundering program, including, but not limited to:

Completing the *Anti-Money Laundering/Anti-Terrorist Financing Compliance Questionnaire/Certification* form when requested by Interlink and returning the form within the time limit specified by Interlink. The *Anti-Money Laundering/Anti-Terrorist Financing Compliance Questionnaire/Certification* form is available on Visa Online.

Assisting Interlink in guarding against Card issuance and Merchant acquiring in circumstances that could facilitate money laundering or the financing of terrorist activities

Identifying circumstances of heightened risk and instituting policies, procedures, controls, or other actions specified by Interlink to address the heightened risk

Providing a copy of the Interlink Member's anti-money laundering plan if requested by Interlink

Ensuring the adequacy of the applicable controls implemented by designated agents of the Interlink Member

## 1.3.B Non-Compliance

If Interlink determines that an Interlink Member or the Member's designated agent has failed to comply with any of the requirements specified in *Section 1.3.A*, Interlink may, consistent with applicable laws or regulations, impose conditions on or require additional actions of the Member or the designated agent to prevent possible money laundering or financing of terrorist activities. These actions may include, but are not limited to:

- Implementation of additional policies, procedures, or controls
- Termination of a Merchant Agreement
- Termination of a Cardholder agreement
- Termination of an agent agreement
- Termination of Interlink membership
- Assessment of fines or penalties as specified in Section 1.6.C.1, including a penalty for failure to return a completed Anti-Money Laundering/Anti-Terrorist Financing Compliance Questionnaire/Certification as specified in Section 1.6.C.7, as applicable

- Other action that Interlink in its sole discretion determines to take with respect to the Interlink Member or the Member's designated agent

## 1.4 Non-Member Registration Program

An Interlink Member must register under the Non-Member Registration Program any third-party service provider or Agent that performs Interlink Network services, as specified in *Table 1-1*:

**Table 1-1: Types of Non-Member Organizations**

Level	Non-Member Type	Function Performed
<b>Level I</b>	Independent Sales Organization or Independent Contractor	<p>A Non-Member organization that provides one or more of the following services:</p> <ul style="list-style-type: none"> <li>• Sales calls and sales prospecting, directly or indirectly</li> <li>• Presentation of contracts or contract terms</li> <li>• Presentation of Interlink Member's fee schedule</li> <li>• Merchant pre-qualification or screening</li> <li>• Obtaining initial contract commitment by Merchant</li> <li>• Terminal inventory maintenance or installation of pre-encrypted PIN Entry Devices where the Independent Sales Organization has no involvement in loading Terminal software or Encryption keys into PIN Entry Devices</li> <li>• Non-monetary Merchant set-up and/or Merchant training</li> <li>• Liaison between Merchant and Interlink Member, not including settlement responsibility with the Merchant</li> </ul>
<b>Level II</b>	Encryption and Support Organization <sup>2</sup>	<p>A Non-Member organization that provides one or more of the following services:</p> <ul style="list-style-type: none"> <li>• Loading software into a Terminal that will accept Cards</li> <li>• Loading or injecting Encryption keys into PIN Entry Devices</li> <li>• Merchant help desk support that includes re-programming of Terminal software</li> </ul>

<sup>2</sup> A Merchant that performs Encryption and Support Organization services for Terminals located only in its own outlet is not required to register as an Encryption and Support Organization..

<b>Level III</b>	Processor <sup>3,4</sup>	<p>A Non-Member organization that provides one of the following services:</p> <ul style="list-style-type: none"><li>• Authorization, Clearing, and Settlement of Merchant or Acquirer Transactions</li><li>• Processing of Merchant or Acquirer Transactions in which key management or any PIN processing is performed</li><li>• Terminal operating services, including Encryption and Support Organization functions</li><li>• This category includes Issuer Processors directly connected to the Interlink Switch.</li></ul>
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<sup>3</sup> A Merchant that operates Terminals and processes only for its own outlets is not required to register as a Processor. However, the Merchant must complete a *"PIN Security Requirements Self-Audit"* form.

<sup>4</sup> An Issuer Processor that is not directly connected to the Interlink Switch is not required to register as a Processor. The Interlink Member must, however, submit a *Processor Registration and Designation for Interlink Network, Inc. (Exhibit C)*.

## **1.4.A Level I: Independent Sales Organizations**

Before contracting with an Independent Sales Organization or Independent Contractor, an Interlink Member must determine that the entity:

- Is financially responsible
- Will comply with the *Interlink Network, Inc. Operating Regulations* as well as applicable laws or regulations

### **1.4.A.1 Background Investigation**

The Interlink Member must conduct a background investigation to verify the financial responsibility of the principals and ensure that no significant derogatory information exists.

### **1.4.A.2 On-Site Inspection**

The Interlink Member must perform an on-site inspection of the business location, including but not limited to:

- Review of:
  - Physical security
  - Solicitation or sales materials
  - Policies and procedures
- Inventory verification

### **1.4.A.3 Agent Reference File Query**

**1.4.A.3.a** The inquiring Interlink Member must contact Visa U.S.A. via fax or telephone to query the Agent Reference File.

**1.4.A.3.b** If another Interlink Member has discontinued its relationship with the Independent Sales Organization, or Independent Contractor, Interlink refers the inquiring Interlink Member to the Interlink Member with the former relationship for further information.

**1.4.A.3.c** The Interlink Member with the former relationship is not obligated to disclose information to the inquiring Interlink Member.

**1.4.A.3.d** Interlink will not provide an inquiring Interlink Member with details of an Independent Sales Organization, or Independent Contractors existing relationship with the other Interlink Member, nor the Interlink Member's identities.

### **1.4.A.4 Registration with Interlink**

**1.4.A.4.a** An Interlink Member must register an Independent Sales Organization or Independent Contractor with Interlink prior to commencement of contracted services by sending the *Interlink Network, Inc. Non-Member Registration Program Application Packet (Exhibit F)* to Interlink by certified mail (return receipt requested). The *Interlink Network, Inc. Non-Member Registration Program Application Packet (Exhibit F)* consists of the following:

- Independent Sales Organization/Encryption and Support Organization Registration and Certification (Exhibit E)
- "Valid Service Codes by Card Product Platform" from the Payment Technology Standards Manual
- Other documentation (i.e., background or principals, ownership structure, financial conditions of the Non-Member and principals, other business services provided, and the Interlink Network business plans)

**1.4.A.4.b** An Interlink Member must advise the Independent Sales Organization or Independent Contractor that such organization or individual must not represent registration in the Non-Member Registration Program as endorsement of its services by the Interlink Network or Visa U.S.A.

### **1.4.A.5 Interlink Background Review**

**1.4.A.5.a** After receiving the *Interlink Network, Inc. Non-Member Registration Program Application Packet (Exhibit F)*, Interlink will conduct a background review to ensure that no derogatory information exists.

**1.4.A.5.b** Interlink may conduct an on-site inspection of the business location, including but not limited to, a review of its Merchant services and Terminal support area, if applicable.

**1.4.A.5.c** Interlink will either accept or deny the Independent Sales Organization, or Independent Contractor's application based on its review of the *Interlink Network, Inc. Non-Member Registration Program Application Packet (Exhibit F)*, and results of its on-site visit.

**1.4.A.5.d** All Independent Sales Organizations and Independent Contractor's must be accepted for registration prior to commencement of contracted services.

### **1.4.A.6 Fees**

**1.4.A.6.a** Interlink assesses a registration fee and annual charge for Independent Sales Organizations and Independent Contractors, as specified in *Section 9.9.B*.

**1.4.A.6.b** Interlink will waive the annual fee for the calendar year in which an Interlink Member has paid the initial registration fee, as specified in *Section 9.9.B*.

### **1.4.A.7 Transaction Information Security**

An Interlink Member must ensure that all Independent Sales Organizations and Independent Contractors with access to Account or Interlink Transaction Information comply with Interlink Transaction Information security requirements, as specified in *Section 2.6*, *Section 3.4*, and *Section 4.3.E*.

### **1.4.A.8 Interlink Member Responsibilities**

An Interlink Member must:

- Ensure that the activities of its Independent Sales Organization, performed on its behalf, meet the requirements of the *Interlink Network, Inc. Operating Regulations* and
- Be primarily liable (not as a guarantor) for all those activities, including both acts and omissions, of its Independent Sales Organization.

## **1.4.B Level II: Encryption and Support Organizations**

Prior to contracting with an Encryption and Support Organization, an Interlink Member must comply with all of the following requirements.

### **1.4.B.1 Agent Reference File Query**

The inquiring Interlink Member must contact Visa U.S.A. via fax or telephone to query the Agent Reference File.

**1.4.B.1.a** If the Encryption and Support Organization is currently registered by another Interlink Member, the inquiring Interlink Member must submit the *Independent Sales Organization/Encryption and Support Organization Registration and Certification (Exhibit E)*.

**1.4.B.1.b** If the Encryption and Support Organization is not registered by another Interlink Member, the inquiring Interlink Member must submit both of the following:

- *Independent Sales Organization/Encryption and Support Organization Registration and Certification (Exhibit E)*
- *Interlink Network, Inc. Non-Member Registration Program Application Packet (Exhibit F)*

### **1.4.B.2 Documentation Requirements**

Prior to an Encryption and Support Organization performing Transaction processing on its behalf, an Interlink Member must:

- Complete the *Interlink Network, Inc. Non-Member Registration Program Application Packet (Exhibit F)*



- Submit a “*PIN Security Requirements Self-Audit*” form at least 45 calendar days prior to handling any Merchant Terminal
- Ensure that the Encryption and Support Organization complies with all requirements for submission of the “*PIN Security Requirements Self-Audit*” form, as specified in Chapter 2, “Risk Management & Security,” and the PIN Management Requirements Documents

### **1.4.B.3 Interlink Background Review**

**1.4.B.3.a** After receiving the *Interlink Network, Inc. Non-Member Registration Program Application Packet (Exhibit F)*, Interlink will conduct a background review to ensure that no derogatory information exists.

**1.4.B.3.b** Interlink may conduct an on-site inspection of the business location, including but not limited to:

- Review of:
  - Its Terminal Encryption procedures, including physical security
  - Help desk support services
  - Hiring policies and practices
- Verification of employee bond coverage
- Interviews with Encryption and Support Organization management

**1.4.B.3.c** Interlink will either accept or deny the Encryption and Support Organization’s application based on its review of the *Interlink Network, Inc. Non-Member Registration Program Application Packet (Exhibit F)*, and results of its on-site visit.

**1.4.B.3.d** An Encryption and Support Organization must be accepted by Interlink for registration prior to commencement of contracted services with Interlink Members.

### **1.4.B.4 Registration**

**1.4.B.4.a** A third-party provider that is registered as an Independent Sales Organization by an Interlink Member must also be registered by the Interlink Member as an Encryption and Support Organization if it is providing the services described for Encryption and Support Organization registration. Completion of an *Interlink Network, Inc. Non-Member Registration Program Application Packet (Exhibit F)* for Encryption and Support Organization registration functions and payment of Encryption and Support Organization registration fees are required.

**1.4.B.4.b** The Interlink Member must advise the Encryption and Support Organization that it must not represent registration in the Non-Member Registration Program as endorsement of its services by the Interlink Network or Visa U.S.A.

### **1.4.B.5 Fees**

**1.4.B.5.a** Interlink assesses a registration fee and annual charge for Encryption and Support Organizations, as specified in *Section 9.9.C*.

**1.4.B.5.b** Interlink will waive the annual fee for the calendar year in which an Interlink Member has paid the initial registration fee, as specified in *Section 9.9.C*.

### **1.4.B.6 Transaction Information Security**

An Interlink Member must ensure that all Encryption and Support Organizations with access to Account or Interlink Transaction Information comply with Interlink Transaction Information security requirements, as specified in *Section 2.6*, *Section 3.4*, and *Section 4.3.E*.

### **1.4.B.7 Interlink Member Responsibilities**

An Interlink Member must:

- Ensure that the activities of its Encryption and Support Organization, performed on its behalf, meet the requirements of the *Interlink Network, Inc. Operating Regulations* and
- Be primarily liable (not as a guarantor) for all those activities, including both acts and omissions, of its Encryption and Support Organization.

## **1.4.C Level III: Processors**

Before contracting with a Processor, an Interlink Member must comply with all of the following requirements.

### **1.4.C.1 Agent Reference File Query**

The inquiring Interlink Member must contact Visa U.S.A. via fax or telephone to query the Agent Reference File.

**1.4.C.1.a** If the Processor is currently registered by another Interlink Member, the inquiring Interlink Member must submit the *Processor Registration and Designation for Interlink Network, Inc. (Exhibit C)*.

**1.4.C.1.b** If the Processor is not registered by another Interlink Member, the inquiring Interlink Member must submit both of the following:

- *Processor Registration and Designation for Interlink Network, Inc. (Exhibit C)*
- *Interlink Network, Inc. Non-Member Registration Program Application Packet (Exhibit F)*

**1.4.C.1.c** If requesting a connection endpoint on the Interlink Switch, the Processor must submit all of the following:

- *Processor Registration and Designation for Interlink Network, Inc. (Exhibit C)*
- *Interlink Network, Inc. Non-Member Registration Program Application Packet (Exhibit F)*
- *Interlink Network, Inc. Systems and Services Letter of Agreement (Exhibit D)*

### **1.4.C.2 Documentation Requirements**

Prior to performing Transaction processing on behalf of an Interlink Member, a Processor must:

- Complete the *Interlink Network, Inc. Non-Member Registration Program Application Packet (Exhibit F)*
- Complete the *Interlink Network, Inc. Systems and Services Letter of Agreement (Exhibit D)* if the Processor requests a connection endpoint on the Interlink Switch.
- Submit a "*PIN Security Requirements Self-Audit*" form at least 45 calendar days prior to handling any Merchant Terminal
- Comply with all requirements for submission of the "*PIN Security Requirements Self-Audit*" form, as specified in Chapter 2, "*Risk Management & Security*," and the PIN Management Requirements Documents

### **1.4.C.3 Interlink Background Review**

**1.4.C.3.a** After receiving the *Interlink Network, Inc. Non-Member Registration Program Application Packet (Exhibit F)*, Interlink will conduct a background review to ensure that no derogatory information exists.

**1.4.C.3.b** Interlink may conduct an on-site inspection of the business location, including but not limited to:

- Review of:
  - Physical security of the Processor data center
  - Hiring policies and practices
- Analysis of system capacity in conjunction with the Processor's business plan
- Verification of employee bond coverage
- Interviews with Processor management

**1.4.C.3.c** Interlink will either accept or deny the Processor's application based on its review of the *Interlink Network, Inc. Non-Member Registration Program Application Packet (Exhibit F)*, and results of its on-site visit.

**1.4.C.3.d** A Processor must be accepted by Interlink for registration prior to commencement of contracted services with Interlink Members.

#### **1.4.C.4 Registration**

**1.4.C.4.a** If a Processor provides Encryption and Support Organization services, as specified in *Section 1.4.C*, it is not required to separately register as an Encryption and Support Organization.

**1.4.C.4.b** A Processor must not represent registration in the Non-Member Registration Program as endorsement of its services by the Interlink Network or Visa U.S.A.

#### **1.4.C.5 Fees**

**1.4.C.5.a** Interlink assesses a registration fee and annual charge for Processors, as specified in *Section 9.9.D*.

**1.4.C.5.b** Interlink will waive the annual fee for the calendar year in which an Interlink Member has paid the initial registration fee, as specified in *Section 9.9.D*.

#### **1.4.C.6 Transaction Information Security**

An Interlink Member must ensure that all Processors with access to Account or Interlink Transaction Information comply with Interlink Transaction Information security requirements, as specified in *Section 2.6*, *Section 3.4*, and *Section 4.3.E*.

#### **1.4.C.7 Interlink Member Responsibilities**

An Interlink Member must:

- Ensure that the activities of its Processor, performed on its behalf, meet the requirements of the *Interlink Network, Inc. Operating Regulations* and
- Be primarily liable (not as a guarantor) for all those activities, including both acts and omissions, of its Processor.

#### **1.4.D General Requirements For All Levels**

An Interlink Member using any Non-Member must comply with the following requirements.

##### **1.4.D.1 Notification to Interlink**

An Interlink Member using any Non-Member must provide the following information to Interlink, as appropriate:

**1.4.D.1.a** Notification to Interlink of any change in the Non-Member principals or ownership structure or relationship (including termination), within 3 Business Days of the change.

**1.4.D.1.b** A written request to Interlink for correction of an error discovered on any of the following, accompanied with the pertinent information:

- *Processor Registration and Designation for Interlink Network, Inc. (Exhibit C)*
- *Interlink Network, Inc. Systems and Services Letter of Agreement (Exhibit D)*
- *Independent Sales Organization/Encryption and Support Organization Registration and Certification (Exhibit E)*

**1.4.D.1.c** Upon approval of the Merchant, the Interlink Member must submit the *Interlink Network Merchant Registration (Exhibit G)*.

### **1.4.D.2 Quarterly Reporting**

**1.4.D.2.a** Each Interlink Member must submit to Interlink a detailed quarterly report, signed by an authorized officer regarding the activities and services of each Non-Member doing business on its behalf.

**1.4.D.2.b** Interlink assesses a fine for failure to provide this information within 30 calendar days from quarter end, as specified in *Section 1.6.C.2*.

## **1.5 Non-Member Contract**

A contract between an Interlink Member and Non-Member must:

- Be executed by an officer of the Interlink Member
- Contain at least the substance of the provisions specified in this section, as applicable.
- Ensure that the Non-Member will comply with the substance of the following, as applicable:
  - *Interlink Network, Inc. Operating Regulations*
  - Cardholder Information Security Program, as specified in *Section 2.6*

### **1.5.A Minimum Requirements**

#### **1.5.A.1 Interlink Member Responsibilities**

The Interlink Member must control all of the following:

- Approval and review of Merchants and establishment of fees for Transactions
- Establishment of Terminal Encryption and placement procedures
- Settlement with Merchants

#### **1.5.A.2 Termination of Contract**

The contract will be terminated if either:

- Interlink prohibits a Non-Member from providing services, as specified in the Non-Member Registration Program
- The Interlink Member becomes insolvent

### **1.5.A.3 Transaction Information Security**

An Interlink Member must ensure that all Non-Members with access to Account or Interlink Transaction Information comply with Interlink Transaction Information security requirements, as specified in *Section 2.6*, *Section 3.4*, and *Section 4.3.E*.

### **1.5.A.4 Disclosure of Account or Interlink Transaction Information**

An Interlink Member, in the event of the failure, including bankruptcy, insolvency, or other suspension of business operations, of one of its Non-Members must ensure that the Non-Member does not sell, transfer, or disclose any materials that contain Cardholder Account Numbers, personal information, or other Interlink Transaction Information to third parties.

The Interlink Member must ensure that its Non-Member either:

- Returns this information to the Interlink Member or
- Provides acceptable proof of destruction of this information to the Interlink Member

### **1.5.A.5 Audits**

The Interlink Member, Interlink, or their designees may conduct financial and procedural audits of the Non-Member at any time.

### **1.5.A.6 Record Retention**

If the Non-Member is terminated, the Interlink Member must retain a file for a minimum of 2 years following termination of the Non-Member relationship that includes but is not limited to the reason for termination.

### **1.5.A.7 Prohibitions**

Interlink may terminate or permanently prohibit a Non-Member or its principal from providing Interlink Network services, if the Interlink Member fails to take corrective action for good cause, such as:

- Fraudulent activity
- Activity that causes the Interlink Member to repeatedly violate the *Interlink Network, Inc. Operating Regulations*
- Operating in an unsound, unsafe manner

- Damage to the goodwill of Interlink or the Interlink Program

## **1.5.B Record Maintenance**

### **1.5.B.1 Responsibility for Providing Information**

If any of the following entities requests Cardholder or Merchant records, the Non-Member must make them available as soon as possible but no later than 7 Business Days from the Non-Member's receipt of the request from any of the following:

- Interlink Member with which it has a contract
- Interlink
- Designees of an Interlink Member or Interlink
- Any regulatory agency

### **1.5.B.2 Record Retention**

An Interlink Member must maintain a record of all information on a Non-Member for a period of 2 years, as well as comply with the record retention requirements specified in *Section 4.9*.

## **1.5.C Use of Interlink Marks**

The Interlink Member agrees that it and the Non-Member will comply with all requirements for use of any of the Interlink Marks, as specified in the *Interlink Network, Inc. Operating Regulations*.

## **1.5.D Other Requirements**

### **1.5.D.1 Registration Requirements**

Only registered Non-Members with a written contract directly with an Interlink Member may perform services on behalf of that Interlink Member, as specified in the Non-Member Registration Program.

### **1.5.D.2 Restrictions**

A registered Non-Member must not subcontract with another Non-Member.

## 1.6 Regulation Enforcement

This section contains the enforcement mechanisms that Interlink may use for violations of any *Interlink Network, Inc. Operating Regulations*. The Operating Regulations also specify the procedure for the allegation and investigation of violations and the rules and schedule for fines and penalties.

Interlink may levy fines and penalties, as specified in the *Interlink Network, Inc. Operating Regulations*. Interlink officers will enforce these fines and penalties.

These procedures and fines are in addition to enforcement rights available to Interlink under other provisions of the *Interlink Network, Inc. Operating Regulations*, or through other legal or administrative procedures.

### 1.6.A Enforcement Procedures

#### 1.6.A.1 Allegations

Allegations of violations of the *Interlink Network, Inc. Operating Regulations* may be brought to Interlink's attention by:

- An Interlink Member
- An Agent or Processor, through its registering Interlink Member
- An Interlink officer

#### 1.6.A.2 Investigation

**1.6.A.2.a** Interlink may investigate allegations of violations of the *Interlink Network, Inc. Operating Regulations*.

**1.6.A.2.b** An Interlink Member must respond to and provide information requested by Interlink for an *Interlink Network, Inc. Operating Regulations* violation that is under investigation. The Interlink Member must submit its response and information, within the time period specified, by mail, courier, facsimile, hand, e-mail, or other electronic delivery method. The Notification response is effective when posted, sent, or transmitted by the Interlink Member or its Agent to Interlink.

**1.6.A.2.c** Interlink may assess all investigative costs incurred by Interlink to the violating Interlink Member, in addition to any fines.

#### 1.6.A.3 Determination of Violation

Determination of a violation of the *Interlink Network, Inc. Operating Regulations* may be made as follows:

- Based on the response from an Interlink Member to a Notification of investigation and other available information, Interlink will determine whether a violation of the *Interlink Network, Inc. Operating Regulations* has occurred.



- The Interlink Member's failure to respond to a Notification of investigation and to provide all information requested may result in a determination that a violation has occurred.

#### **1.6.A.4 Notification of Determination**

Interlink will notify an Interlink Member if it determines that a violation has occurred, or if it determines that a violation is continuing to occur, and will specify a date by which the Interlink Member must correct the violation. The Notification will advise the Interlink Member of the:

- Reasons for such determination
- Fines assessed
- Right to appeal the determination and/or the fines assessed for such violation
- Interlink may require an Interlink Member to submit a compliance plan to resolve the violation.

#### **1.6.A.5 Fine Assessment**

All fines imposed by Interlink are fines imposed on Interlink Members. An Interlink Member is responsible for paying all fines, regardless of whether it absorbs the fines, passes them on, or increases them in billing its customer (e.g., Cardholder, Merchant). An Interlink Member must not represent to its customer that Interlink imposes any fine on its customer.

#### **1.6.A.6 Fine Collection**

Any fine or investigative cost is due 30 calendar days after receipt of Notification, as detailed in the billing statement. An amount equal to the outstanding balance on any billing statement will be added to the balance due:

- If payment is not received within the 30-calendar-day period
- For each successive 30-calendar-day period, until paid

**1.6.A.6.a** Interlink will have the right to collect any fines assessed, together with costs that are not paid within 30 calendar days of the billing statement date, via a setoff against any monies owed by Interlink to the Interlink Member.

**1.6.A.6.b** Interlink will electronically collect all fines through Interlink billing statements after notifying the Interlink Member.

### **1.6.B Fines Related to Repetitive Violations**

#### **1.6.B.1 Repetitive Violations**

**1.6.B.1.a** Repetitive violations of the *Interlink Network, Inc. Operating Regulations* incur heavier fines or other actions. A violation of any section qualifies as a repetitive violation only if the violating Interlink Member does not correct it by the date specified in the Notification.

**1.6.B.1.b** Penalties increase for repetitive violations within any 12-month period. The 12-month period begins on the date of the most recent Notification of the violation and ends following a 12-month period free of violations of that regulation.

## 1.6.C Schedule of Fines

### 1.6.C.1 General

The fines listed in the General Schedule of Fines table are in addition to any other fines or penalties specified in the *Interlink Network, Inc. Operating Regulations*.

**Table 1-2: General Schedule of Fines**

Violation	Fine
First violation of regulation	Warning letter with specific date for correction and \$1,000 fine
Second violation of same regulation in a 12-month period after Notification of first violation	\$5,000 fine
Third violation of same regulation in a 12-month period after Notification of first violation	\$10,000 fine
Fourth violation of same regulation in a 12-month period after Notification of first violation	\$25,000 fine
5 or more violations of same regulation in a 12-month period after Notification of first violation	Interlink discretion
If the 12-month period is not violation-free and the fines total \$25,000 or more	Additional fine equal to all fines levied during that 12-month period

## 1.6.G Willful Violations

### 1.6.G.1 Determination of Violation

**1.6.G.1.a** In addition to the fines and penalties specified in *Section 1.6.B*, an Interlink Member found to have willfully violated the *Interlink Network, Inc. Operating Regulations*, adversely affecting the goodwill associated with the Interlink System, brand, products and services, the operation of the Interlink systems, or the operations of other Interlink Members, will be subject to a further fine. A violation is considered “willful” if the Interlink Member knew, or should have known, or its knowledge can be fairly implied, that its conduct constituted a violation of the *Interlink Network, Inc. Operating Regulations*.

**1.6.G.1.b** When determining the amount of a fine, in addition to the criteria above, the following will be considered:

- Type of violation

- Nature of the damage, including the amount incurred by Interlink and Interlink Members
- Repetitive nature of the violation
- Interlink Member history or prior conduct
- Effect of the assessment upon the safety and soundness of the Interlink System and the Interlink Member, including the Interlink Member committing the violation
- Any other criteria Interlink deems appropriate

### **1.6.G.3 Notification of Determination**

Upon determination that a Willful Violation has occurred, Interlink will notify the Interlink Member as specified in *Section 1.6.A.4*.

## **1.6.H Enforcement Appeals**

### **1.6.H.1 Right to Appeal**

**1.6.H.1.a** An Interlink Member may appeal<sup>5</sup> a determination of a violation or fine to Interlink as follows:

- The Interlink Member's appeal letter must be received by Interlink within 30 days of the Interlink Member's receipt of the Notification of the violation or fine.
- The appealing Interlink Member must submit with the appeal any new or additional information necessary to substantiate its request for an appeal.
- A fee of will be assessed to the Interlink Member upon receipt of the appeal. The fee is refundable if the appeal is upheld.

**1.6.H.1.b** Interlink bases its decision on the new information provided by the requesting Interlink Member. Each Interlink Member may submit arguments supporting its position. All decisions are final and not subject to any challenge.

## **1.7 Ownership of Card Program**

In the marketing and servicing of a Card that provides access to investment products, the Interlink Member must always be portrayed as the owner of the Card program.

## **1.8 Visa-Owned Interlink Marks**

Visa U.S.A. owns the Interlink Marks. Their protection is vital to all Interlink Members. These Interlink Marks identify the Interlink Network services to Cardholders, Merchants, and Interlink Members. This section details requirements of ownership, protection, and use of any of the Interlink Marks. For

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<sup>5</sup> Appeal procedures are available from Interlink upon request.

additional rules governing graphic reproduction of these Interlink Marks, see Chapter 10, "*Card & Marks Specifications*" and the *Visa Product Brand Standards*.

## **1.8.A Interlink Marks**

The Interlink Marks are all of the following:

- Interlink Wordmark
- Network Design Mark
- Any other Interlink Marks that Visa U.S.A. adopts for use with the Interlink Program.

### **1.8.A.1 Membership**

**1.8.A.1.a** The right to use the Interlink Marks will be granted only to Interlink Members.

**1.8.A.1.b** The Interlink Marks must not be used until the Interlink Member's application for membership in the Interlink Program has been accepted.

**1.8.A.1.c** A Merchant must have entered into a Merchant Agreement with an Acquirer before it may display the Interlink Marks on decals, signs, printed and broadcast materials and solely to indicate acceptance of Cards for payment.

### **1.8.A.2 Termination of Membership**

**1.8.A.2.a** Upon termination of its membership, an Issuer must:

- Cease using all of the Interlink Marks
- Ensure that all of its sponsored Interlink Members, and Merchants cease using any of the Interlink Marks, as specified in this section.

**1.8.A.2.b** If an Interlink Member does not comply with the requirements specified in this section, Interlink, at least 3 calendar days' prior written notice to the Interlink Member, may take action itself and at the expense of the terminated Interlink Member.

### **1.8.A.3 Display of Interlink Marks**

No material displaying the Interlink Marks must contain any matter that would tend to denigrate the Interlink Marks.

### **1.8.A.4 Interlink Marks on Cards**

**1.8.A.4.a** The Interlink Marks are not required to appear on a Card if:

- The Card does not display the acceptance Mark of any other PIN-based debit program, as specified in the Visa Product Brand Standards
- The Issuer clearly communicates to its Cardholders, at the time of issuance, that the Card may be used for PIN debit Transactions anywhere Cards are accepted

**1.8.A.4.b** The Interlink Marks must appear, in equal prominence, on a Card if the Card displays the acceptance Mark of any other PIN-based debit or ATM program, as specified in the *Visa Product Brand Standards*.

**1.8.A.4.c** The Interlink Marks must not appear on Cards that primarily access a line of credit.

### **1.8.A.5 Protection of Interlink Marks**

Interlink hereby grants to each Interlink Member a personal nontransferable, nonexclusive right and license to use the Interlink Marks in conjunction with the Interlink Program.

**1.8.A.5.a** Each Interlink Member:

- Acknowledges that Visa U.S.A. owns the Interlink Marks
- Agrees that it will do nothing inconsistent with this ownership
- Agrees that the use of any of the Interlink Marks must be for the benefit of, and on behalf of, Interlink

**1.8.A.5.b** An Interlink Member must not:

- Use any Interlink Marks in its:
  - Corporate name
  - Trade name
  - Fictitious name
  - Trade dress
- State or imply that any service offered under the Interlink Marks is exclusively offered by such Interlink Member

**1.8.A.5.c** An Interlink Member must:

- Supply the Interlink Network and Visa U.S.A. with specimens of the Interlink Member's use of the Interlink Marks upon request
- Cooperate with Visa U.S.A. in executing any and all documents or in doing or refraining from doing such acts as may be reasonable necessary to enable Visa U.S.A. to protect the Interlink Marks
- Notify Visa U.S.A. promptly of any infringement, potential infringement or improper use of the Interlink Marks that may come to the Interlink Member's notice. Visa U.S.A. will have the sole right to engage in infringement, opposition, cancellation or unfair competition proceedings involving the Interlink Marks

### 1.8.A.6 Interlink Marks Use

#### 1.8.A.6.a An Interlink Member agrees:

- That all use of the Interlink Marks, as well as the nature and quality of all services rendered under these Interlink Marks, must comply with the *Interlink Network, Inc. Operating Regulations*
- To cooperate with Visa U.S.A. in maintaining control of nature and quality of service to permit reasonable inspection of Interlink Member's operation
- To conform all of its use of such materials to the quality and content of the specimens which may from time to time be submitted to an Interlink Member by Visa U.S.A.
- To use the Interlink Marks, as specified in the *Interlink Network, Inc. Operating Regulations*
- To use a proper copyright notice on all such materials in the precise form and content as such copyright notice is set out in any such materials submitted to an Interlink Member by Visa U.S.A.

**1.8.A.6.b** Any Interlink Member permitted by Visa U.S.A. to use the Interlink Marks must obtain no interest in the Interlink Marks except the right to use them in accordance with the requirements, as specified in the *Interlink Network, Inc. Operating Regulations*.

**1.8.A.6.c** Except as specified in *Section 1.8.A.4* and *Section 10.4.C.2* all Cards must bear the Interlink Marks.

### 1.8.A.7 Interlink Member Liability

#### 1.8.A.7.a Each Interlink Member must:

- Whenever and however incurred, bear all costs and expense of, and full responsibility with respect to, and all liability for, its own use and its Merchants' use and any removal from use of the Interlink Marks
- Assume all liability and responsibility for its own compliance and its Merchants' compliance with all applicable laws or regulations
- Comply strictly with all specifications, directives and requirements concerning copyright, patent, trademark or service mark use, as from time to time an Interlink Member may be advised of by Visa U.S.A.
- At any time required by the Interlink Network, at such Interlink Member's sole expense, remove from use the Interlink Marks and, where applicable, surrender to the Interlink Network any depiction of the Interlink Marks in any signs, decals, advertisements, promotional material, and any other written materials.

**1.8.A.7.b** If an Interlink Member fails to include the required copyright notice, as specified in *Section 1.8.A.6.a*, or as requested by Visa U.S.A. on any reproduced material, and such failure results in loss of copyright or other damage to Visa U.S.A., the Interlink Member must compensate Visa U.S.A. for such loss or damage.

## **1.8.B Interlink Marks License**

### **1.8.B.1 License to Use and Reproduce Written Materials**

Pursuant to agreements with Visa U.S.A. Inc., the Interlink Network has the exclusive authority to use and sublicense to its Interlink Members in the fifty (50) states of the United States of America and Canada the:

- Interlink Marks (U.S. Service Mark Registration No. 1,319,826) and
- Network Design Mark (U.S. Service Mark Registration No. 1,294,934)

It may also become an authorized licensee of additional service marks or trademarks that hereafter may be used in connection with the Interlink Program.

### **1.8.B.2 Sublicensing**

Visa U.S.A. hereby grants to each Interlink Member a nonexclusive, nontransferable sublicense to use the Interlink Marks solely within the 50 states of the United States of America and Canada and solely in connection with the promotion and rendering of services by each Interlink Member in conjunction with its participation in the Interlink Network. Any other use of the Interlink Marks is prohibited without the prior express written approval of Visa U.S.A.

- Sale
- Consolidation
- Merger
- Amalgamation
- Operation of law or
- Otherwise, except with the express prior written consent from Visa U.S.A. Any attempted sublicense or assignment without the express written consent from Visa U.S.A. will be void and of no effect.

**1.8.B.2.a** The sublicense granted to each Interlink Member under this section must become effective as of the date of each Interlink Member's first use of the Interlink Marks as an Interlink Member of the Interlink Network, and the terms be unlimited so long as the Interlink Member is an Interlink Member in good standing of the Interlink Network and will terminate automatically upon withdrawal or termination of Interlink Member therefrom.

**1.8.B.2.b** Upon termination of the sublicense granted under this section, each Member must cease all use of the Interlink Marks, as specified in the *Interlink Network, Inc. Operating Regulations*.

## **1.8.C Non-Member Use of Interlink Marks**

### **1.8.C.1 Interlink Marks Use**

**1.8.C.1.a** Each Interlink Member must ensure that any use of the Interlink Marks by a Non-Member complies with the *Interlink Network, Inc. Operating Regulations*.

**1.8.C.1.b** Any correspondence, supplies, or solicitation or sales materials (including those to be used for broadcast or oral solicitations) must prominently identify the Interlink Member's name and the city in which the Interlink Member is located.

**1.8.C.1.c** An Interlink Member must ensure that all solicitation materials distributed by a registered Non-Member comply with the following Interlink Member identification guidelines:

- The Interlink Member's name and city must be prominently identified adjacent to any use of the Interlink Marks.
- The Non-Member must be clearly identified as a representative of the Interlink Member.
- All solicitation materials must clearly disclose that any Merchant Agreement resulting from the solicitation will be between the Interlink Member and the individual Merchant.

**1.8.C.1.d** All Independent Sales Organizations, Encryption and Support Organizations, and Processors are prohibited from using the Interlink Marks on their letterhead, stationery, or business cards.



## 1.9 Affinity Card Program

This section governs the general requirements for Affinity Card programs. See *Section 3.6* for regulations governing Issuer participation in an Affinity Card program.

### 1.9.A Responsibility

#### 1.9.A.1 Interlink Marks Use

An Interlink Member must ensure that any use of the Interlink Marks by an Affinity Partner, Affiliated-Merchant, and Merchant comply with the *Interlink Network, Inc. Operating Regulations*.

#### 1.9.A.2 Reporting Requirements

An Interlink Member or Affinity Partner must provide information requested by the Interlink Network in order to determine whether its Affinity Card program complies with the *Interlink Network, Inc. Operating Regulations*.

### 1.9.B Variance

The Board of Directors may grant a variance to any operating regulation pertaining to Affinity Card programs.

### 1.9.C Communication Standards

#### 1.9.C.1 Cardholder Communication

Any Cardholder communication must not state or imply that any institution other than the Interlink Member is the Issuer of the Card.

#### 1.9.C.2 Trade Names or Marks

The Affinity Partner's Trade Name or Marks must not be positioned as adding or implying superior acceptability of the Card at the Point-of-Transaction.<sup>6</sup>

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<sup>6</sup> An exception to this provision applies as specified in Section 5.2.B.2.e.

## **1.9.D Violation of the Affinity Card Program**

### **1.9.D.1 Determination of Violation**

If it determines that the provisions of the Affinity Card program have been violated by an Interlink Member or the Affinity Partner, the Interlink Network may:

- Require modification of the program, including, but not limited to:
  - Assignment of the program to a third party
  - Suspension or termination of the program
- Impose fines or terminate the program on 30 calendar days' written notice
- Terminate an Affinity Card program, without cause, with at least 180 calendar days' prior written notice to the Interlink Member and Affinity Partner

### **1.9.D.2 Appeal Rights**

**1.9.D.2.a** If the Interlink Network terminates an Affinity Card program, the Interlink Member may appeal the termination to the Board of Directors by providing written notice to the Secretary of the Interlink Network within 30 calendar days of receipt of Notification.

**1.9.D.2.b** The Board of Directors' decision is final.

## **1.10 Use of Visa-Owned Chip Technology - U.S. Region**

### **1.10.A Visa-Owned Chip Technology Use – U.S. Region**

**1.10.A.1** In the U.S. Region, Visa-owned Chip technology must be used solely for the purpose of facilitating an Interlink Transaction, Visa, Visa Electron, or Plus transaction unless it is a transaction initiated using the Visa U.S. Common Debit Application Identifier from a U.S. Covered Visa Debit Card personalized in accordance with the U.S. common debit personalization requirements. Any other use requires the prior written permission of Visa. Visa-owned Chip technology includes, but is not limited to:

- Visa Integrated Circuit Card Specification
- Visa Smart Debit/Credit (VSDC) applet
- Visa Contactless Payment Specification
- Visa Mobile Contactless Payment Specification
- Visa Mobile Payment Application
- Visa, Interlink, Visa Electron, and Plus Payment Application Identifiers

## 1.11 Interlink Network Rights and Responsibilities

### 1.11.A Confidentiality

The Interlink Network will not reveal to any Interlink Member or person information regarding a Transaction except:

- To each Interlink Member involved in or necessary to effect the Transaction
- To any other person who is a party to the Transaction, or is necessary to effect the Transaction
- To its auditors
- As required by the *Interlink Network, Inc. Operating Regulations*
- As required by laws or regulations

### 1.11.B Proprietary Materials

#### 1.11.B.1 Interlink Marks

**1.11.B.1.a** The Interlink Network will assist Visa U.S.A. in the registration and protection of the Interlink Marks and other trademarks developed from time to time.

**1.11.B.1.b** The Interlink Network and Visa U.S.A. will establish standards for, and control, their use by:

- Interlink Members
- Interlink Members' sponsored Affiliates
- Merchants
- Processors

#### 1.11.B.2 General Regulations

**1.11.B.2.a** Interlink will develop the *Interlink Technical Specifications* and the PIN Management Requirements Documents and will make them available to the following:

- Interlink Members
- Processors
- Merchants (Visa Merchant Direct Exchange Merchants or applicants for such status)

**1.11.B.2.b** Interlink prohibits the reproduction of the documents specified in Section 1.10, and will require their surrender upon an Interlink Member's Processor's or Visa Merchant Direct Exchange Merchant's resignation, termination, or withdrawal from the Interlink Program.

## 1.12 Interlink Directory

### 1.12.A Interlink Directory Update Form

Each Interlink Member or Processor, assigned a BIN or an Interlink Routing ID, must submit to Visa a completed "Interlink Directory Update Form."

If any of the required *Interlink Directory* information changes, an Interlink Member or Processor must send a new "Interlink Directory Update Form" with any updates to Visa at least 10 business days before the effective date for distribution to other Interlink Members and Processors.

## 1.13 BIN Licensing and Numeric ID Responsibilities

### 1.13.A BIN Licensing

**Effective through 31 December 2014**, an Interlink Member licensed a BIN by Visa must comply with all applicable requirements specified in the *Visa Core Rules and Visa Product and Service Rules*, "BIN License and Administration."

**Effective 1 January 2015**, an Interlink Member licensed a BIN by Visa must comply with all applicable requirements specified in the *Visa Core Rules and Visa Product and Service Rules* "BIN License and Administration"

### 1.13.B Non-Interlink-Assigned BINs

#### 1.13.B.1

**Effective through 31 December 2014**, an Interlink Member using a non-Interlink-assigned BIN in connection with an Interlink service or product must:

- Ensure it has the right to provide the BIN to Interlink
- Maintain the accuracy of the information relative to the BIN

**Effective 1 January 2015**, an Interlink Member using a BIN that was not licensed by Interlink but is connected with an Interlink service or product is considered a non-Interlink-assigned BIN and must:

- Comply with Section 2.3, "BIN License and Administration" of the *Visa Core Rules and Visa Product and Service Rules*
- Ensure it has the right to provide the BIN to Interlink

**1.13.B.2** The owner of a non-Interlink-assigned BIN is responsible for notifying Interlink regarding the maintenance of the non-Interlink-assigned BIN, including:

- Portfolio sale or transfer
- Merger or acquisition

- Cessation of use
- Modification to product or service

### 1.13.C BIN Release

**Effective through 31 December 2014**, the BIN owner must notify Interlink when the non-Interlink-assigned BIN is no longer being used. Any BIN released by the BIN owner must not be used after the release effective date.

Once the BIN owner has notified Interlink of cessation of use:

- The BIN is eligible for deletion from VisaNet:
  - Six months after the later of:
    - Expiration date on the last Card issued has passed or last date of Card usage as communicated to Cardholders
    - Date acquiring activities have ceased
    - After all processing activities have ceased, if applicable
- The original BIN owner remains liable for any exception activity related to Transactions generated on the BIN before the deletion. Settlement of such liability to Interlink or Members will be conducted by Interlink in conjunction with the original BIN owner.
- Any Member voluntarily terminating its Interlink membership cannot terminate its membership until all BIN(s) and other Numeric IDs assigned to the Member are fully deleted from all VisaNet systems
- A BIN owner that requests the blocking and deletion of a BIN must meet all outstanding obligations to the Cardholders and/or Merchants on the BIN before the blocking and deletion can become effective

### 1.13.D Routing IDs

#### 1.13.D.1 Interlink Routing ID Request

**Effective through 31 December 2014**, an Interlink Member must submit an "Interlink Routing ID Request" to Interlink before using the Interlink Routing ID for acquiring Interlink POS transactions. By completing the "Interlink Routing ID Request," the Interlink Member acknowledges that it will use the requested Interlink Routing ID only for the purpose specified in the request. The Interlink Member must submit a revised request to reflect any change in use before the effective date of the change, and with appropriate approval from Interlink.

**Effective 1 January 2015**, an Interlink Member must submit a "Routing ID Request" to Interlink before using the interlink Routing ID for acquiring Interlink POS Transactions. By completing the "Routing ID Request", the Interlink Member acknowledges that it will use the requested Routing ID only for the purpose specified in the request. The Interlink Member must submit a revised request to

request to reflect any change in use before the effective date of the change, and with appropriate approval from Interlink.

### **1.13.D.2 Routing ID Recipients**

**Effective through 31 December 2014**, Interlink will license an Interlink Routing ID to an Interlink Principal Member, Group Member, Affiliate Member, Associate Member, Administrative Member, or Acquirer.

**Effective 1 January 2015**, Interlink will license a Routing ID to an Interlink Principal member, Group Member, Affiliate member, Associate Member, Administrative Member, or Acquirer.

### **1.13.D.3 Interlink Routing ID Use**

**Effective through 31 December 2014**, Interlink licenses an Interlink Routing ID to be used for acquiring Interlink POS transactions; the licensee must use the Interlink Routing ID only for the purpose for which the licensee is approved, and in a country in which the licensee is permitted to perform those activities, per the *Interlink Network, Inc. Bylaws* and the *Interlink Network, Inc. Operating Regulations*.

**Effective 1 January 2015**, Interlink licenses a Routing ID to be used for acquiring Interlink POS Transactions; the licensee must use the Routing ID only for the purpose for which the licensee is approved, and in a country in which the licensee is permitted to perform those activities, per the *Interlink Network, Inc. Bylaws* and the *Interlink Network, Inc. Operating Regulations*.

## **1.13.E Processor BINs**

### **1.13.E.1 Processor BIN Changes**

When an Interlink Member changes a Processor or begins processing through an additional Processor, the Member must migrate its Interlink BIN(s) from its former Processor to the new one, in accordance with Interlink rules, unless the Member retains a processing relationship with the former Processor.

### **1.13.E.2 Processor Relationship Termination – BIN Requirement**

If an Interlink Member's Processor terminates its relationship with Interlink, the Member must ensure that all of its Interlink BINs installed with that Processor are migrated to another Processor, in accordance with Interlink rules, before the termination.

### **1.13.E.3 BIN Transfer to New Processor**

In the event that an Interlink Member signs an agreement with a new Processor and migrates an Interlink BIN to it, the Member must require the new Processor to process any Chargebacks, Representments, billing, and other miscellaneous activity associated with Transactions originated by

the former Processor under that BIN, unless the former Processor agrees to continue processing those items.

### **1.13.F Use of Numeric ID**

To support the implementation of products, services, and tracking, Interlink may assign Numeric IDs (separate to the assignment of BINs) to an Interlink Member, Processor, or Agent. Any Numeric IDs must be used only for the purposes for which they are assigned.

**1.13.F.1** An assignee of a Numeric ID must only use a Numeric ID for activities for which the assignee has been approved.

**1.13.F.2** An Interlink Member, Processor, or Agent assigned a Numeric ID is fully liable for all activity occurring on the Numeric ID until it is fully deleted from all Visa production systems.

**1.13.F.3** An assignee of a Numeric ID is responsible for notifying Interlink regarding the maintenance of the Numeric ID, including:

- Portfolio sale or transfer
- Merger or acquisition
- Cessation of use
- Modification to service
- Change in user of the Numeric ID, if applicable

**1.13.F.4** If the Numeric ID is being used for the purposes of acquiring Transactions, the assignee must comply with the requirements as specified in *Section 1.13.C*.

**1.13.F.5** An Interlink Member that designates a Processor to act on their behalf must ensure the Processor:

- Only uses the Numeric ID for the purposes for which the Numeric ID was assigned to the Interlink Member
- Only submits activity on the Numeric ID associated with the assignee of the Numeric ID, or the assignee's sponsored Member approved to share the Numeric ID
- Does not use the Member's Numeric ID for the purpose of processing, Clearing or settling transactions for any Member other than the assignee and its approved sponsored Member(s)

## **1.15 Visa U.S. Regulation II Certification Program**

### **1.15.A Visa U.S. Regulation II Certification Program Requirements**

In the U.S. Region or in a U.S. territory, a BIN licensee that is subject to U.S. Federal Reserve Board Regulation II must comply with the Visa U.S. Regulation II Certification Program requirements.

The BIN licensee is solely responsible for ensuring that all consumer debit, business debit, and prepaid programs conducted under its BINs comply with applicable laws or regulations, including U.S. Federal Reserve Board Regulation II.

The BIN licensee must submit a Dodd-Frank Act Certification Addendum and Fraud Prevention Adjustment Addendum, as applicable, when requesting or modifying a consumer debit, business debit, or prepaid BIN. Addendums are available from Visa upon request.

An Issuer that is subject to U.S. Federal Reserve Board Regulation II and that receives certification materials from Visa is required to respond within the published timeframes.

An Issuer of consumer debit, commercial debit, or prepaid programs that is subject to the U.S. Federal Reserve Board Regulation II and that receives fraud-prevention standards notification materials from Visa is required to respond within the published timeframes.

Any Issuer subject to the U.S. Federal Reserve Board Regulation II must submit the notification materials, as applicable, if the Issuer's compliance with the fraud-prevention standards has changed. Notification materials are available from Visa upon request.



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## 2 Risk Management & Security

### 2.1 Introduction

This chapter specifies general security requirements and the rights and responsibilities of Interlink and Interlink Members related to risk management for the Interlink Program.

### 2.2 Security Audit Requirements

#### 2.2.A Right to Audit

##### 2.2.A.1 Periodic Audits

**2.2.A.1.a** An Interlink Member must, at its own expense, be subject to periodic audits by Interlink to ensure that the Interlink Member, its Agents, and its Merchants are complying with all of the following:

- *Interlink Network, Inc. Operating Regulations*
- Interlink Technical Specifications
- PIN Management Requirements Documents

**2.2.A.1.b** Interlink may conduct audits at any time.

##### 2.2.A.2 Remedial Action

In the event an audit reveals a materially adverse condition or discrepancy:

- Interlink officers may refer the condition or discrepancy to the Board of Directors for recommendation of remedial action.
- Interlink officers will report the condition to the Interlink Member involved.
- The Interlink Member or its Agent(s) must take prompt corrective action to rectify the adverse condition.
- The Board of Directors may:
  - Impose conditions on the Interlink Member's or its Agent's continued involvement in the *Interlink* Program or
  - Require the Interlink Member or its Agent(s) to withdraw from the Interlink Program

## 2.3 PIN Security Self-Audit Requirements

### 2.3.A Interlink Member and Agent Responsibilities

An Interlink Member or Agent must comply with the PIN Management Requirements Documents and *Visa PIN Security Program Guide*. An Agent must also include any Merchant that operates its own Terminals.

#### 2.3.A.1 New Interlink Member or Agent

A new Interlink Member or Agent must comply with all registration requirements before processing Transactions, as specified in Section 1.4.

### 2.3.B Interlink Responsibilities

#### 2.3.B.1 On-Site Visits

**2.3.B.1.a** Interlink may conduct periodic on-site visits at the Interlink Member or Agent business location.

**2.3.B.1.b** An on-site visit may include, but is not limited to:

- Review of:
  - Physical security of the data center and operations areas
  - Inventory and control procedures used to track PIN Entry Devices and other equipment related to Encryption key management
  - Security assessment records, files, and other information that support PIN processing and PIN security compliance in the Member or Agent Environment
- Interviews with management

### 2.3.C Interlink Security Audit

- The President of the Interlink Network may recommend to the Board of Directors that Interlink perform a security audit of the Interlink Member or its Agent in lieu of, or in addition to, the audit procedures specified in *Section 2.3.C.3, if there is reason to believe that:*
- An Interlink Member or Agent is not in compliance with the security standards specified in the *Interlink Network, Inc. Operating Regulations* or the PIN Management Requirements Documents and
- The lack of compliance would present a threat to Interlink System security if it continued until the next scheduled Security Self-Audit.

- An audit may be conducted at the expense of either the Interlink Member being audited or the sponsoring Agent being audited.

### **2.3.D Interlink Security Assessment**

Interlink may require an on-site PIN security assessment of the Interlink Member or its Agent if there is reason to believe that an Interlink Member or Agent is not in compliance with the security standards specified in the Interlink Network, Inc. Operating Regulation, PIN Management Requirements Documents, or *Visa PIN Security Program Guide*.

The on-site PIN security assessment may be conducted at the expense of either the Interlink Member or the sponsoring Agent.

## **2.4 Investigation of Merchants**

### **2.4.A Revocation of Merchant Privileges**

Interlink may impose conditions upon a Merchant through the Acquirer or permanently prohibit a Merchant's participation in the Interlink Program for good cause if the Merchant fails to take corrective action. Any of the following constitutes good cause:

- Fraudulent activity
- Presenting a Transaction that was not the result of an act between the Cardholder and the Merchant
- Repeated violation of the Interlink Network, Inc. Operating Regulations
- Any other activities that may result in undue economic hardship or damage to the goodwill of the Interlink Program.

### **2.4.B Disclosure of Account or Interlink Transaction Information**

An Acquirer, in the event of the failure, including bankruptcy, insolvency, or other suspension of business operations, of one of its agents, Merchants, Merchants' agents, or Merchant Servicers, must ensure that its agent, the Merchant and/or its agent, or Merchant Servicer does not sell, transfer, or disclose any materials that contain Cardholder Account Numbers, personal information, or other Interlink Transaction Information to third parties.

The Acquirer must ensure that its agent, the Merchant and/or its agent, or Merchant Servicer either:

- Returns this information to the Acquirer or
- Provides acceptable proof of destruction of this information to the Acquirer, in each case using appropriate physical, organizational, and technological security measures to protect such information against loss, theft, and unauthorized access, disclosure, copying, use, or modification as required by applicable laws or regulations.

The Acquirer must include the disclosure of account or Interlink Transaction Information prohibitions, as specified in this section, in its Merchant Agreement.

## **2.4.C Investigation**

### **2.4.C.1 Acquirer Responsibilities**

An Acquirer conducting an investigation must maintain a file that:

- Includes all applicable documentation and
- Is retained for a minimum of 2 years following termination of the Merchant Agreement

### **2.4.C.2 Interlink Investigation**

Interlink may conduct an investigation of a Merchant at any time.

## **2.5 Card Verification Value Program**

### **2.5.A Certification Requirements**

An Issuer that processes a Transaction using Magnetic-Stripe Data must participate in the Card Verification Value program as specified in this section and the following:

- *V.I.P. System SMS Interlink Technical Specifications*
- *Payment Technology Standards Manual*

An Acquirer that processes a Transaction using Magnetic Stripe Data must participate in the Card Verification Value program as specified in this section.

### **2.5.B Issuer Requirements**

An Issuer or its Processor must be capable of receiving the POS Entry Mode values "05," "07," "90," "91," or "95" in the Authorization request, as specified in the following:

- *V.I.P. System SMS Interlink Technical Specifications*
- *Payment Technology Standards Manual*

## **2.6 Cardholder Information Security Program**

An Interlink Member must comply, and ensure that its Merchants and Agents comply, with the requirements of the Cardholder Information Security Program, available from Interlink upon request.

## 2.6.A Member, Merchant, and Agent Requirements

**2.6.A.1** A Member must comply, and ensure that its Merchants and Agents comply, with the Payment Card Industry Data Security Standard and the validation and reporting requirements as outlined in the Cardholder Information Security Program.

**2.6.A.2** A Member must comply, and ensure that its Merchants and Agents use payment applications that comply, with the Payment Card Industry Payment Application Data Security Standard and the validation and reporting requirements as outlined in the Cardholder Information Security Program.

## 2.6.B Third Party Requirements

A third party that stores, processes, or transmits Cardholder data, as specified in *Section 3.4* and *Section 4.3.E*, must comply with the requirements of the Cardholder Information Security Program.

## 2.7 Global Compromised Account Recovery Program

### 2.7.A Overview

**2.7.A.1** An Interlink Issuer may recover a portion of its estimated Incremental Counterfeit Fraud losses and operating expenses resulting from an Account Data Compromise Event involving a compromise of Magnetic-Stripe Data, and PIN data for events that also involve PIN compromise, under the Global Compromised Account Recovery (GCAR) program from an Acquirer(s) to whom liability for such loss has been assigned under the GCAR program.

**2.7.A.2** Interlink has authority and discretion to determine Account Data Compromise Event qualification, as well as estimated Counterfeit Fraud Recovery and Operating Expense Recovery amounts, Issuer eligibility, and Acquirer liability under the GCAR program, in accordance with the *Visa Global Compromised Account (GCAR) Guide* and available information regarding each event.

### 2.7.B GCAR Program Compliance

A Member must comply with the requirements specified in the *Visa Global Compromised Account Recovery (GCAR) Guide*.

## 2.8 Fraud Reporting

### 2.8.A Fraud Activity Reporting

#### 2.8.A.1 Issuer Requirements

**2.8.A.1.a** An Issuer must report all Fraud Activity to Interlink:

- As specified in the *Fraud Reporting System User's Guide*
- Upon detection, but no later than:
  - 90 calendar days from the Transaction Date
  - 30 calendar days following the receipt of the Cardholder's dispute notification, if the notification is not received within the 90 calendar day period

**2.8.A.1.b** A Member must resubmit no less than 90 percent of all rejected Fraud Activity and ensure that resubmitted Transactions are accepted into the Visa Fraud Reporting System.

**2.8.A.1.c** If further investigation determines that the Transaction or occurrence is of a different Fraud Activity type than previously reported, the Issuer must correct the activity.

**2.8.A.1.d** A Member must report all Cardholder and Issuer mailing information on "Not Received as Issued" Cards, whether or not Fraud Activity has occurred.

## **2.8.B Non-Compliance**

If an Issuer does not comply with the requirements in *Section 2.9.A*, the Issuer:

- May be subject to an audit by Interlink
- Is responsible for all expenses relating to the audit
- May be subject to fines and penalties, as specified in *Section 1.6*

## **2.9 Loss or Theft of Account Information**

### **2.9.A Reporting**

#### **2.9.A.1 Interlink Member Responsibility**

An Interlink Member must immediately report the suspected or confirmed loss or theft, including a loss or theft by one of the Interlink Member's agents, of any material or records that contain Account information. Such loss may be reported on behalf of the Interlink Member by one of its agents, or a Merchant or one of its agents.

#### **2.9.A.2 Required Information**

The loss or theft must be reported to Interlink by telephone or fax. The report must contain, to the extent possible, all of the following information:

- Issuer name
- Form, number, and range of Account information missing

- Specific Account Numbers missing
- Type of Account information on missing material
- Pertinent details about the loss or theft and ensuing investigation
- Contact name and telephone number for additional information
- Name and telephone number of person reporting the loss or theft

### **2.9.B Investigation**

An Interlink Member must conduct a thorough investigation of the suspected or confirmed loss or theft of Account information or Laundering.

An Interlink Member or its agent must cooperate fully with Interlink, which may require additional investigation. This cooperation includes providing access to the premises and to all pertinent records.

### **2.9.C Non-Compliance**

If Interlink determines that an Interlink Member or its agent has been deficient or negligent in securely maintaining Account information or reporting or investigating the loss of this information, as specified in *Section 2.9*, Interlink may require the Interlink Member to take immediate corrective action.

### **2.9.D Verification**

An Interlink Member must, upon completion of the investigation, as specified in *Section 2.9.B*, demonstrate its ability to prevent future loss or theft of Transaction information, consistent with the requirements of the Cardholder Information Security Program, as specified in *Section 2.6*.

Interlink, or an independent third party acceptable to Interlink, must verify this ability by conducting a subsequent security review.

### **2.9.E Fines and Penalties**

An Acquirer that fails to comply with the requirements of *Section 2.6* is subject to the fines and penalties specified in *Section 1.6.C*.

## **2.10 Interlink Responsibilities**

Interlink will utilize appropriate procedures to notify an Interlink Member of a loss or theft of personal information related to the Interlink Member's Interlink Account information, as required by applicable laws or regulations or in respect of Canadian Members, whenever there is unauthorized access to, or collection, use or disclosure of personal information where the breach raises a risk of harm.



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## 3 Issuer Standards

### 3.1 Introduction

This chapter specifies the requirements for Issuers participating in the Interlink Program.

### 3.2 Anti-Money Laundering Program

An Issuer must comply with the Anti-Money Laundering Program requirements, as specified in *Section 1.3*.

### 3.3 Card Specifications

A Card must comply with the *Interlink Network, Inc. Operating Regulations*, the Interlink Technical Specifications, and the Payment Technology Standards manual.

#### 3.3.A Primary Account Designation

An Issuer must designate a Primary Account for each Card. A Transaction must be posted against the Primary Account. The Primary Account may include an automated sweep feature that links that account to any of the following:

- Proprietary investment products
- Investment products managed and controlled by an organization owned by the Issuer (or its holding company)
- Investment products advised/underwritten by a third-party organization under contract with the Issuer for the purpose of offering investment services to the Issuer's banking customer.

#### 3.3.B Card Issuance

##### 3.3.B.1 Issuer Compliance

**3.3.B.1.a** An Issuer must ensure that all Cards it issues comply with the following:

- *Interlink Network, Inc. Operating Regulations*
- International Standards Organization
- American National Standards Institute

**3.3.B.1.b** An Issuer must ensure that each Card is capable of initiating an electronic fund transfer, as specified in Federal Reserve Regulation E - Electronic Fund Transfers.

### **3.3.B.2 Interlink Marks and Primary Account Issuance**

**3.3.B.2.a** Within 1 year of its Operational Date, an Issuer must begin to issue Cards bearing the Interlink Marks and that are embossed with the Primary Account number on new and replacement Cards.

**3.3.B.2.b** Within 3 years of its Operational Date, all Cards must display the Interlink Marks and embossed Primary Account number.

**3.3.B.2.c** After the 3 year period, Cards will not be permitted to initiate Transactions, unless the Cards bear the Interlink Marks and embossed Primary Account number.

### **3.3.B.3 Member Termination**

Upon the resignation or termination of its membership, an Issuer and its sponsored Affiliates and Associate Members must:

- Immediately stop issuing Cards or other documents displaying the Interlink Marks and
- Within 2 years, issue replacement Cards that do not display the Interlink Marks for all of the Issuer's outstanding Cards displaying such Marks

### **3.3.B.4 International Transaction and Currency Conversion Disclosure**

An Issuer must provide a complete written disclosure of any fees that may be charged to a Cardholder for an International Transaction or when currency conversion occurs.

## **3.3.C PIN Requirements**

### **3.3.C.1 Issuer Requirements**

Issuers must issue PINs to each of their Cardholders.

### **3.3.C.2 PIN Specifications**

**3.3.C.2.b** PINs must conform to the criteria specified in the *Interlink Technical Specifications* and the *Payment Technology Standards* manual.

### **3.3.C.3 PIN Verification**

An Issuer is responsible for PIN Verification.

### **3.3.D Card Security**

#### **3.3.D.1 PIN Security and Key Management**

PIN security and key management requirements for the Interlink Network are specified in the PIN Management Requirements Documents and *Visa PIN Security Program Guide*.

#### **3.3.D.2 Data Encryption Standard**

An Issuer must use the data Encryption algorithm standards for data communication purposes, as specified in the PIN Management Requirements Documents.

#### **3.3.D.3 Cryptography**

An Issuer must implement cryptography for its PIN management operations, as specified in the PIN Management Requirements Documents.

## **3.4 Disclosure of Interlink Transaction Information**

### **3.4.A General**

#### **3.4.A.1 Issuer Requirements**

An Issuer may only disclose Interlink Transaction Information to third parties approved by Interlink, for the sole purpose of providing fraud control services.

Procedures for approval of third parties are available from Interlink upon request.

#### **3.4.A.2 Third Party Compliance**

A third party that stores, processes, or transmits Cardholder data, as specified in *Section 3.4.A.1*, must comply with the requirements of the Cardholder Information Security Program, as specified in *Section 2.6*.

### **3.4.B Fines and Penalties**

An Issuer that discloses, or allows its Agents to disclose, Interlink Transaction Information to a third party that has not demonstrated its compliance with the Cardholder Information Security Program, is subject to the fines and penalties specified in *Section 1.6.C*.

## 3.5 Limitation of Cardholder Liability

### 3.5.A Cardholder Liability Limit

Upon receipt of notification from its Cardholder of unauthorized Transactions, an Issuer must limit the Cardholder's liability for those Transactions to \$0.

### 3.5.B Cardholder Liability Increase

An Issuer may increase the limit of the Cardholder's liability for unauthorized Transactions only if the Issuer reasonably determines, based on substantial evidence, that the Cardholder was grossly negligent or fraudulent in the handling of the Account or Card.

### 3.5.C Provisional Credit

An Issuer that receives notification from its Cardholder of unauthorized Transactions must provide provisional credit to the Cardholder's Account within 5 Business Days of the notification. The Issuer may:

- Require written confirmation from the Cardholder before providing provisional credit
- Withhold providing provisional credit, to the extent allowed under applicable laws or regulations, if the Issuer determines that the circumstances or Account history warrant the delay

### 3.5.D Additional Requirements for Business Cardholders

In addition to the requirements in Limitation of Cardholder Liability, an Issuer that has issued a Card to a business may:

- Require the notification, as specified in *Section 3.5.A* and *Section 3.5.C*, to be received within 60 calendar days of the mailing date of the first statement showing unauthorized Interlink Transactions
- Define an unauthorized Interlink Transaction, as specified in Limitation of Cardholder Liability, to exclude any Transaction allegedly conducted by:
  - A business co-owner
  - The Cardholder or person authorized by the Cardholder
  - Any other person with an interest in or authority to transact business on the account3.6 Affinity Card Program

This section governs the requirements for Issuer participation in an Affinity Card program.

## 3.6 Affinity Card Program

### 3.6.A Participation Requirements

With the prior written consent from Interlink, an Issuer may issue Affinity Cards, as specified in the *Interlink Network, Inc. Operating Regulations*. Unless otherwise specified, all other operating regulations apply to Affinity Cards, without modification.

### 3.6.B Ownership and Control of an Affinity Card Program

#### 3.6.B.1 General

**3.6.B.1.a** The Issuer must own and control the Affinity Card program. The Affinity Partner must not directly or indirectly own, control, or exercise controlling influence over the Affinity Card program.

**3.6.B.1.b** An Interlink Member must ensure that the Issuer, not the Affinity Partner, is portrayed as the owner of the Affinity Card program.

#### 3.6.B.2 Determination of Ownership

**3.6.B.2.a** Upon Interlink request, an Interlink Member must submit the following to Interlink to determine compliance with *Section 3.6.B.1.a*:

- Any and all contracts with the Affiliate Partner and
- Any other documentation relative to the Affinity Card program

**3.6.B.2.b** Interlink may determine whether the Affinity Card program is owned and controlled by the Interlink Member. The decision is based on the Issuer's entire relationship with the Affinity Partner, including but not limited to the following:

- Whether the Issuer:
  - Establishes program management policies, such as setting Account criteria
  - Is at risk as the owner of the program
  - Actively ensures that its policies and guidelines are implemented
- Issuer's role in setting fees and rates for Affinity Card program products and services
- Whether the Issuer controls the Account
- Degree to which the Issuer, not the Affinity Partner, is portrayed as the owner of the Affinity Card program
- Extent to which the Issuer provides all or part of the program operations, such as customer service

### 3.6.C Affinity Cards

#### 3.6.C.1 Card Issuance

**3.6.C.1.a** An Interlink Member may issue an Affinity Card only to residents of the country where it is licensed to issue.

**3.6.C.1.b** An Interlink Member must not solicit Cardholders for its Affinity Card program outside of the country where it is licensed to issue.

**3.6.C.1.c** An Issuer must not design its Affinity Cards, whether through use of a Trade Name, Marks, numbering scheme, code on the Magnetic Stripe, Chip, or any other device or means, in order to:

- Permit exclusive or preferential acceptance of any of its Affinity Cards<sup>7</sup>
- Allow any Transaction involving use of these Cards to be treated as other than a Transaction or
- Imply that any institution other than the Interlink Member is the Issuer of the Card. A Card that bears only the Affinity Partner's Trade Name or Marks on the front of the Card and complies with *Section 10.5.E.3* meets this requirement.

**3.6.C.1.d** When presented to a Merchant, the proposed Affinity Card must not be used to debit any account other than the Primary Account maintained by the Issuer in connection with the Affinity Card.

**3.6.C.1.e** Interlink reserves the right to require modification of the Affinity Card program, including, without limitation, the assignment of the program to a third party, suspension or termination of the program, and/or fines, if Interlink determines that the provisions of this section have been violated.

#### 3.6.C.2 Card Design

The Affinity Card design must comply with the requirements, as specified in Chapter 10, "*Card & Marks Specifications*."

### 3.7 Prepaid Cards

An Issuer may offer Reloadable Cards or Non-Reloadable Cards. The Card must comply with all of the following:

- The applicable regional *Visa International Prepaid Program Guidelines*
- *Global Physical Security Validation Requirements for Data Preparation Encryption Support and Fulfillment Card*
- Federal and applicable state anti-money laundering program requirements

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<sup>7</sup> **Effective 1 February 2013**, an exception to this provision applies as specified in Section 5.2.B.2.e.

### **3.7.A Reloadable Cards**

An Issuer offering Reloadable Cards must:

- Obtain identifying Cardholder data for its records prior to Card activation, and if such data is unavailable, limit the amount of initial funding, as specified in the Visa U.S.A. Prepaid Products Program Guidelines
- Not reload the Card beyond initial funding if identifying Cardholder data is not on file
- Print or emboss the name of the Cardholder or some other Interlink-approved generic identifier on the face of the Card
- Ensure that a reloadable option is not available for certain Prepaid Cards that specifically prohibit additional reloads

### **3.7.B Non-Reloadable Cards**

#### **3.7.B.1 General Requirements**

An Issuer offering Non-Reloadable Cards must:

- Limit the amount of initial funding as specified in the Visa U.S.A. Prepaid Products Program Guidelines if identifying Cardholder data is not on file
- Clearly identify all Non-Reloadable Cards by complying with the design requirements specified in *Section 10.5.F.2*

#### **3.7.B.2 Cash Back and Quasi-Cash Transactions**

An Issuer must block the following Transaction types when identifying Cardholder data is not on file:

- Cash Back Transactions
- Quasi-Cash Transactions originating at a Merchant Outlet with one of the following
- Merchant Category Codes:
  - Financial Institutions—Merchandise and Services (6012)
  - Non-Financial Institutions—Money Orders, Foreign Currency, etc. (6051)
  - Wire Transfer Money Orders (4829)

### **3.7.C Partial Authorization**

An Issuer that offers Reloadable Cards or Non-Reloadable Cards as specified in the applicable Visa International Prepaid Program Guidelines must support the Partial Authorization service.



### **3.7.D Card Design**

The Prepaid Card design must comply with the requirements, as specified in *Section 10.5.F*

## **3.8 Campus Cards**

### **3.8.A General Requirements**

#### **3.8.A.1 Campus Card Issuance**

A Campus Card may only be issued as either:

- A check Card linked to a deposit account as specified in the Interlink Network, Inc. Bylaws and the Interlink Network, Inc. Operating Regulations
- A Prepaid Card

A Campus Card may only be issued in the U.S. Region.

#### **3.8.A.2 Mark Requirements**

The Interlink Mark may appear on a Campus Card only as specified in *Section 3.8.B*.

#### **3.8.A.3 Expiration Date**

The expiration date for a Campus Card must comply with *Section 10.5.C* if one of the following applies:

- The Interlink Mark appears on the card
- A deposit account with the Issuer is linked to the card

### **3.8.B Use of the Interlink Marks or Payment Functionality**

An Issuer that issues a Campus Card that may participate in the Interlink program must comply with the requirements specified in *Section 1.8.A.4.b*.

An Issuer that issues a Campus Card linked to a deposit account as specified in the Interlink Network, Inc. Bylaws and Operating Regulations must comply with the requirements specified in *Section 10.5.G.2*.

If a Campus Card is not linked to a deposit account with the Issuer at the time of issuance:

- The Interlink Mark must not appear on the card

- The Issuer must provide written disclosure to the cardholder when the Campus Card is issued that the Campus Card cannot be used for purchases at Interlink Merchants until a linked deposit account is opened with the Issuer

### **3.8.B.1 Campus Card Payment Functionality**

If a Campus Card is not a Prepaid Card or is not linked to a deposit account with the Issuer at the time of issuance:

- The Interlink Mark must not appear on the card
- The Issuer must provide written disclosure to the cardholder when the Campus Card is issued that the Campus Card cannot be used for purchases at Interlink Merchants until a linked deposit account is opened with the Issuer

## **3.9 Automated Clearing House Access to Funds on Deposit**

An Issuer must not authorize Transactions that access a Cardholder's funds on deposit at an organization other than the Issuer.

## **3.10 Issuer Operational Standards**

### **3.10.A Card Authorization System**

An Issuer must maintain a telecommunications and processing Card Authorization System that complies with the *Interlink Technical Specifications* and the PIN Management Requirements Documents and accepts all of the following types of Transactions:

- Purchase Transactions
- Balance inquiries
- Pre-Authorizations
- Reversals
- Chargeback Reversals
- Credit Transactions
- Chargebacks, Representments, and Adjustments
- Quasi-Cash Transactions
- Responses to each of the above Transactions

### **3.10.B Interlink Network Transactions**

An Issuer is liable to the Acquirer for each Transaction that it authorized or was authorized on its behalf and must settle for the full amount of the Transaction.

#### **3.10.B.1 General Requirements**

An Issuer must:

- Provide Authorization services for its Cardholders, as specified in Chapter 6, "*Operational Standards*"
- Provide Authorization service 24 hours a day, 7 days a week
- Comply with the Authorization standards specified in *Section 3.10.C*
- For a Transaction that involves the purchase of goods or services and a cash back amount, a Partial Authorization response must be applied only toward the purchase amount.
- A Partial Authorization response is not permitted for the cash back portion of a purchase Transaction.

#### **3.10.B.2 Pre-Authorizations**

**3.10.B.2.a** An Issuer is liable to the Acquirer for each Pre-Authorization Transaction that it authorizes and must settle for the full amount of the Transaction when the:

- Pre-Authorization Transaction amount is less than or equal to the Pre-Authorization request amount and
- Pre-Authorization Transaction was processed within X hours of the Pre-Authorization request
- Pre-Authorization will cease to be effective X hours following initiation of the Pre-Authorization request.

**3.10.B.2.b** The Card Authorization System must authorize the Pre-Authorization Transaction if all of the following are true:

- Pre-Authorization request was authorized
- Pre-Authorization Transaction amount is less than or equal to the Pre-Authorization request amount
- Pre-Authorization Transaction is processed within X hours of the Pre-Authorization request

If any of the conditions specified in *Section 3.10.B.2.b* are not met, the Card Authorization System must authorize the Pre-Authorization request only if the Cardholder has sufficient funds available in his/her Account.

**3.10.B.2.c** If the Card Authorization System is not available to receive a Pre-Authorization request or the completion message to a previous Pre-Authorization, the Interlink Switch authorizes the Transaction if both:

- The actual dollar amount is less than or equal to the greater of:
  - The dollar amount pre-authorized or
  - Stand-In Processing limits provided by the Issuer
- The completion message is received within 1 hours following initiation of the Pre-Authorization request.

**3.10.B.2.d** If the Interlink Switch is not available, the Merchant Interface System authorizes the Transaction if:

- The actual dollar amount is less than or equal to the dollar amount preauthorized and
- The completion message is received within X hours of the initiation of the Pre-Authorization request.

**3.10.B.2.e** Upon approval of the Pre-Authorization, the Issuer's Authorization system may place a hold on the Cardholder's Account up to the amount of the Pre-Authorization providing that the Issuer's system has the ability to release the hold upon receipt of the matching completion Transaction or Reversal. If the Issuer's system places a hold, the system must release the hold upon:

- Receipt of the matching completion Transaction
- Receipt of a Reversal of the Transaction
- After X hours of the Pre-Authorization Request, if a Pre-Authorization Completion has not been received by the time

### **3.10.B.3 Partial Pre-Authorization**

**3.10.B.3.a** An Issuer must approve a Partial Pre-Authorization in an amount equal to the Cardholder's available Account or daily spending limit balance, whichever is less, if:

- The amount of a Pre-Authorization request exceeds the Cardholder's Account balance or
- It would cause the Cardholder's daily spending limit to be exceeded.

**3.10.B.3.b** An Issuer must:

- Support Partial Pre-Authorizations within 3 years of commencing live operation in the Interlink Network and
- Notify Interlink if it will not support Partial Pre-Authorizations upon commencing live operation

**3.10.B.3.c** For a Transaction that involves the purchase of goods or services and a cash back amount, the Partial Pre-Authorization response must be applied only toward the purchase amount.

### **3.10.B.4 Credit Transactions**

An Issuer must credit a Cardholder's Account with a Credit Transaction, as specified in the *Interlink Network, Inc. Operating Regulations*.

**3.10.B.4.a** If the Issuer is not available to process a Credit Transaction, the Interlink Network:

- Performs Stand-In Processing on behalf of the Issuer and
- Forwards the Transaction to the Card Authorization System when that system is again available

**3.10.B.4.b** An Issuer may Decline a Credit Transaction for any reason, as specified in Section 3.10.B.4.

**3.10.B.4.c** For a Transaction that involves the purchase of goods or services and a cash back amount, the Issuer may reply with either:

- An Authorization response based on the total Transaction amount
- A special Decline response code indicating that the Transaction was denied solely because the cash back portion of the Transaction has been rejected

### **3.10.B.5 Reversals**

**3.10.B.5.a** An Issuer must process a Reversal Transaction if the Reversal Transaction:

- Was initiated, as specified in the *Interlink Network, Inc. Operating Regulations* and
- Matches an original authorized Transaction

**3.10.B.5.b** If the Issuer is not available to process a Reversal, the Interlink Network:

- Accepts the Reversal on behalf of the Issuer and
- Forwards the Transaction to the Card Authorization System when the Issuer is available

## **3.10.C Authorization Standards**

### **3.10.C.1 Transaction Response Time**

**3.10.C.1.a** An Issuer or its designated Processor must be capable of responding to an Authorization request within 10 seconds from the time the Authorization request is transmitted from the Interlink Switch.

**3.10.C.1.b** If the Cardholder Authorization System does not receive an Authorization response from an Issuer within the specified time limit, the Interlink Switch will respond on behalf of the Issuer, using Stand-In Processing, as specified in *Section 3.10.C.2*.<sup>8</sup>

### **3.10.C.2 Stand-In Processing<sup>9</sup>**

**3.10.C.2.a** An Issuer both:

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<sup>8</sup> A variance applies to Members in the Canada Region.

<sup>9</sup> A variance applies to Members in the Canada Region.

- Is liable to the Acquirer for any Transaction the Interlink Switch authorized or preauthorized, as specified in the Stand-In Processing procedures
- Must settle for the full amount of the Transaction.

**3.10.C.2.b** Stand-In Processing may also include:

- Activity File Parameters (which may be by product type and/or Merchant Category Code)
- Maximum purchase amount limits (which may be by product type and/or Merchant Category Code)
- Negative files
- Positive files
- Cardholder cumulative data (velocity) files
- Card expiration date
- PIN Verification procedures

**3.10.C.2.c** If an Issuer requests PIN Verification, the minimum Stand-In Processing amounts are required only if the Interlink Switch supports the method of PIN Verification used by the Issuer.

### **3.10.D Retention of Records**

An Issuer must maintain a record of all information sent to it by either Interlink or another Interlink Member for a period of 2 years or in compliance with applicable law, whichever is greater.

### **3.10.E Error Resolution**

#### **3.10.E.1 Issuer Responsibilities**

An Issuer must cooperate fully with Interlink and all Interlink Members in the resolution of Cardholder disputes, and errors, as specified in Chapter 7, *"Dispute Resolution."*

#### **3.10.E.2 Requesting Information**

If Interlink or any Interlink Member requests information relating to a Transaction Record that involves that Interlink Member, an Issuer must send the requested information to Interlink or the Interlink Member within 10 calendar days of receipt of the request.

## 3.11 Visa Transaction Alerts

### 3.11.A Visa Transaction Alerts Service Participation Requirements

Participation in the Visa Transaction Alerts Service, where available, is optional and at the discretion of Visa. A participating Issuer or Issuer's agent must:

- Register with Visa by submitting a completed Visa Transaction Alerts Service Participation Agreement
- Provide Visa with Account Numbers that are eligible to enroll in the service
- Disclose to participating Cardholders which transactions will and will not trigger Cardholder notification
- Comply with:
  - *Visa Alerts Platform: Transaction Alerts Service – Service Description for Issuers*
  - *Visa Alerts Platform Web Services Specifications*
  - *Visa Alerts Platform White Label Website Issuer Specifications*
  - *Visa Mobile Handbook for Issuers*
  - *Visa Mobile Participation Guide for Issuers*
  - *Visa Transaction Alerts Technical Implementation Guide - Issuer*

## 3.12 Chip Cards

### 3.12.A General Requirements

An Issuer must notify Visa of its intention to use Chip technology on Cards at least 60 calendar days before issuance.

#### 3.12.A.1 Chip Application Approval

Interlink may review and approve all applications contained in a Chip Card.

#### 3.12.A.2 Designation of Issuer

A single Issuer must be designated and identified to a Cardholder as the Issuer of a Chip Card.

#### 3.12.A.3 Interlink Chip Card Payment Application

A Chip Card that bears the Interlink Marks must be capable of performing an Interlink Transaction.

### **3.12.A.4 Non-Interlink Services**

A Chip Card may facilitate access to non-Interlink services if the:

- Services do not compromise the security or functional integrity of the Visa Smart Payment Applications
- Additions of these services are managed and controlled by the Issuer or its sponsored Member
- Issuer indemnifies Interlink from any and all Claims or losses resulting from non-Interlink services provided by the Chip Card

### **3.12.A.5 Issuer Liability for Chip Card Payment Application**

A Chip Card Issuer is responsible and liable for the parameter values and processing options contained in a Chip used to conduct a Transaction.

### **3.12.A.6 Chip Card Issuing Requirements – U.S. Region**

A U.S. Issuer of Chip Cards must comply with:

- Visa Smart Debit/Credit Personalization Requirements for U.S. Implementations
- Visa payWave U.S. Issuer Implementation Guide for VCPS 2.0.2 Including Additions and Clarifications 3.0 and VCPS 2.1
- Visa Product Brand Standards

## **3.12.B Technical Requirements**

### **3.12.B.1 A Chip Card Issuer must ensure that any Chip used to conduct a Transaction complies with applicable security and service-level standards.**

A Contact Chip Card Issuer must ensure that its Contact Chip Cards:

- Successfully complete the *Visa Chip Security Program - Security Testing Process*
- Comply with the *Visa Integrated Circuit Card Specification (VIS)*
- Comply with the International Standards Organization Standard 7816-2, Reference Number ISO/IEC 7816-2:1988 (E) - "Identification on Cards-Integrated Circuit(s) Cards with Contacts-Part 2: Dimensions and Locations of the Contacts"
- Contain the Contact Chip on the front of the Card

### **3.12.B.2 Chip Card Payment Application Options**

An Issuer must define the Payment Application options for its Chip Card.



### **3.12.B.3 Chip Card Application Effective Dates**

If an application effective date on a Chip Card is provided within the Chip, it must reflect the same month as the "VALID FROM" date displayed on the Card, if such a date appears on the Card.

### **3.12.B.4 Application Identifier Priority – U.S. Region**

In the U.S. Region, the Application Identifier representing Interlink must always be the highest priority Application Identifier personalized on a VSDC Applet<sup>10</sup> including in situations where the *Interlink Network, Inc. Operating Regulations* permit the personalization of non-Interlink or Visa Application Identifiers on a VSDC applet.

When both the Interlink Application Identifier and the Visa U.S. Common Debit Application Identifier are personalized on a VSDC applet, the Interlink Application Identifier must be the highest priority Application Identifier.

### **3.12.B.5 Chip Card Issuer Terminal Risk Management**

A Chip Card Issuer must not inhibit Terminal Risk Management (e.g., by programming the Chip to bypass Terminal Risk Management).

### **3.12.B.6 Service Codes on Contact Chip Cards**

A Chip Card Issuer must use a Service Code beginning with "2" or "6" on all Contact Chip Cards bearing the Interlink Marks, as specified in the *Visa Integrated Circuit Card Specification (VIS)*.

### **3.12.B.7 iCVV on Chip Cards**

All newly issued Chip Cards and existing Chip Cards on renewal must use the Integrated Circuit Card Verification Value (iCVV) as part of the Magnetic-Stripe Data, as defined in the *Payment Technology Standards Manual*.

### **3.12.B.8 Chip Card Account Requirements**

A Chip Card Issuer must:

- Not use a Visa Smart Payment Application to directly credit or debit any account other than an account that is maintained by that Issuer or another Member under contract to the Issuer
- Allow a Cardholder to select the service and account to be used for a Transaction, as permitted by applicable laws or regulations, and as specified in the *Interlink Network, Inc. Operating Regulations*
- Designate an Account Number for each account accessed by a Visa Smart Payment Application

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<sup>10</sup> Does not apply when the Visa Application Identifier is also present on the card, in which case the Visa Application Identifier must be the higher priority Application Identifier.

- If the Chip provides access to more than one funding account, specify an alphanumeric designation for each account facilitated by the Visa Smart Payment Application, as specified in the *Visa Integrated Circuit Card Specification (VIS)*

To assist Cardholder account selection, a Chip Card Issuer may establish account priorities determining the order in which accounts are displayed or reviewed by the Chip-Reading Device. The first priority account must be the same as the account that is encoded on the Magnetic Stripe, and if applicable, displayed on the front of the Card.

### **3.12.B.9 Cardholder Verification Method List**

A Chip Card Issuer must ensure that the Chip Card contains a Cardholder Verification Method List. For Interlink Transactions, the Cardholder Verification Method List must include only "Online PIN."

### **3.12.B.10 Chip Card Support Static Data Authentication - Canada Region**

In the Canada Region, all Chip Cards must support either Dynamic Data Authentication or Static Data Authentication.

### **3.12.B.11 Contact Chip Card Authentication**

A Contact Chip Card Issuer must perform, and be capable of acting on the results of, validation of EMV-Online Card Authentication Cryptograms for all Contact Chip Card-initiated Authorization messages processed through VisaNet. Online Card Authentication support may be provided by the Issuer directly, or through either VisaNet or a Processor.

## **3.12.C Contact Chip Card Post-Issuance Updates**

A Chip Card Issuer may process Post-Issuance Updates to a Contact Chip Card, as specified in the:

- *Visa Integrated Circuit Card Specification (VIS)*
- *Interlink Network, Inc. Operating Regulations*

Post-Issuance Updates to a Contact Chip Card must:

- Be controlled exclusively by the Issuer
- Not adversely impact the Transaction completion time at a Point-of-Transaction Terminal

### **3.12.D Chip Card Issuer Liability**

#### **3.12.D.1 EMV Liability Shift - Issuer Liability for Card-Present Counterfeit Chip Card Transactions**

A Counterfeit Card Transaction completed in a Card-Present Environment is the liability of the Issuer if:

- The Transaction takes place at a Chip-Reading Device
- The Transaction is initiated by a Contact Chip Card
- The Transaction is correctly processed to completion in accordance with the *Visa Integrated Circuit Card Specification (VIS)*

#### **3.12.D.2 Liability for Chip Fallback Transactions**

Transactions accepted as Fallback Transactions are the liability of the Chip Card Issuer if:

- The Card is a Contact Chip Card
- The Merchant follows correct acceptance procedures
- The Transaction is authorized by the Issuer or the Issuer's agent
- The Authorization Message identifies the Transaction as a Fallback Transaction

### **3.12.E Chip Interoperability Compliance Program**

The Chip Interoperability Compliance Program provides the framework to resolve a serious failure by a Member or the Member's Agent to comply with Chip interoperability requirements.

A Member is subject to the penalties specified in the table below if Interlink determines that the Member or Member's Agent has violated the Chip Interoperability Compliance Program by failing to either:

- Establish and commit to a Chip interoperability resolution plan agreed by Interlink and the Member
- Make satisfactory progress toward the agreed Chip interoperability resolution plan

**Table 3-1: Member Penalties for Non-Compliance with the Chip Interoperability Compliance Program**

<b>Violation</b>	<b>Month</b>	<b>Interlink Action or Fine</b>
Initial identification and confirmation of a violation	Month 1	Notification to Member requiring Member to address violation to the satisfaction of Interlink within 30 calendar days
Unaddressed violation	Month 2	<ul style="list-style-type: none"> <li>Discontinuance of any Member incentives associated with the deployment of products that have contributed to the violation, and possible suspension of other incentives</li> <li>Second Notification to Member that fines may apply if the violation is not corrected to the satisfaction of Interlink within 60 calendar days of the second Notification</li> </ul>
Unaddressed violation	Months 4-5	Member is assessed \$25,000 per month
Unaddressed violation	Month 6 and subsequent months	Member is assessed \$50,000 per month

### 3.12.F Contactless Chip Cards

#### 3.12.F.1 Allowed Contactless Chip Cards

With the prior written consent of Interlink, an Issuer may issue Contactless Chip Cards in either of the following forms:

- A full-sized Card
- A Visa Micro Tag

#### 3.12.F.2 Contactless Chip Card Issuer Requirements

A Contactless Chip Card Issuer must ensure that the Contactless Chip Card:

- Complies with the following:
  - *Contactless Indicator Guidelines for Cards*
  - *Contactless Indicator and Contactless Symbol Reproduction and Applications Guide*
  - Visa Contactless Payment Specifications<sup>11</sup>
  - *Visa Product Brand Standards*
  - *Visa U.S.A. Contactless Payment Program Issuer Implementation Guide*
- If issued as a Contactless-Only Payment Device:

<sup>11</sup> This requirement does not apply to Interlink Cards issued in Canada that use Interac for Domestic Transactions.

- Is issued as a companion to a full-size Card and offers the same benefits as the full-size Card
- Is linked to a valid unexpired Interlink Card account, excluding prepaid devices (A Contactless Chip Card that is a Contactless-Only Payment Device may be assigned a different Account Number.)
- For adhesive Visa Micro Tags, complies with the *Visa payWave Adhesive Micro Tag Requirements*

### **3.12.F.3 Notification of Contactless Chip Card Risks and Restrictions**

Before or at the time of issuance, a Contactless Chip Card Issuer must provide written notification that informs the Cardholder of potential risks and restrictions associated with the Contactless Chip Card, including, but not limited to:

- The inability to use the Contactless Chip Card at Unattended Cardholder-Activated Terminals, such as Automated Fuel Dispensers, where card insertion is required
- Any daily Transaction amount limit implemented by the Issuer in connection with the Contactless Chip Card, if applicable
- For a Contactless Chip Card in the form of an adhesive Visa Micro Tag, the risk of impairing the functionality of a mobile phone or other device to which a Contactless Chip Card is attached
- For a Contactless Chip Card in the form of an adhesive micro tag, the risk of invalidating the manufacturer's warranty, if applicable, for a mobile phone or other device to which a Contactless Chip Card is attached

### **3.12.F.4 Contactless Chip Card Customer Service Telephone Number - U.S. Region**

A U.S. Contactless Chip Card Issuer must print a toll-free customer service telephone number on the back of a Contactless Chip Card, unless the Card is a Contactless-Only Payment Device.

### **3.12.F.5 Contactless Chip Card Application Transaction Counter**

An Issuer must validate the Application Transaction Counter on each of its Contactless Chip Cards during the Authorization process for a Contactless Payment Transaction.

### **3.12.F.6 dCVV for Contactless Chip Cards**

An Issuer must support Dynamic Card Verification Value (dCVV) authentication for its Contactless Chip Card program, as specified in the *Visa U.S.A. Contactless Payment Program Technical Implementation Guide*.

### **3.12.F.7 Visa payWave Application Requirement**

An Issuer that issues a Contactless Chip Card with contactless payment capability must enable the Visa payWave Application on the Card.

## **3.13 Healthcare Auto-Substantiation**

### **3.13.A Employee Benefit Card Issuer Requirements**

An Employee Benefit Card Issuer must:

- Comply with the Visa Employee Benefit Card Service Description and Implementation Guide
- Support Auto-Substantiation if it offers either of the following Employee Benefit Card programs:
  - Flexible Spending Account
  - Health Reimbursement Arrangement
- Comply with the Visa Healthcare Auto-Substantiation Transactions Documents
- Support Authorization Reversals
- Obtain a license from, and be certified by, SIGIS in order to process Healthcare Auto-Substantiation Transactions
- Support the Visa Resolve Online message process to handle Transaction Receipt retrieval requests, as specified in the *Visa Healthcare Auto-Substantiation Transactions Retrieval of SIGIS Receipt Detail Implementation Guide*
- Only request a Transaction Receipt from an Acquirer to support a request from the Internal Revenue Service for a Healthcare Auto-Substantiation Transaction.

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## 4 Acquirer Standards

### 4.1 Introduction

This chapter specifies requirements for Acquirers with respect to Merchant Agreements, Terminal requirements, and Acquirer payment service standards.

### 4.2 Merchant Compliance

An Acquirer must ensure that its Merchants comply with the requirements of the *Interlink Network, Inc. Operating Regulations*.

### 4.3 General Requirements

#### 4.3.A Anti-Money Laundering Program

An Acquirer must comply with the Anti-Money Laundering Program requirements, as specified in *Section 1.3*.

#### 4.3.B Merchant Agreement Requirements

##### 4.3.B.1 Merchant Agreement

**4.3.B.1.a** An Acquirer must have a Merchant Agreement with each of its Merchants.

**4.3.B.1.b** An Acquirer may only accept Transactions from a Merchant with which it has a valid Merchant Agreement.

##### 4.3.B.2 Merchant Agreement Format and Content

**4.3.B.2.a** The form, content, and appearance of a Merchant Agreement is at the discretion of the Acquirer, except as specified in the *Interlink Network, Inc. Operating Regulations*.

**4.3.B.2.b** An Acquirer may include other provisions in its Merchant Agreement if they are consistent with the *Interlink Network, Inc. Operating Regulations*.



**4.3.B.2.c** Each Merchant Agreement must:

- Clearly state the Acquirer's name and location in letter size consistent with the rest of the Merchant Agreement printing, and in a manner that makes the Acquirer's name readily discernible by the Merchant
- State that the Merchant may potentially be terminated for failure to comply with the Merchant Agreement which includes provisions required by the *Interlink Network, Inc. Operating Regulations*.
- Be signed by the Acquirer
- Remain on file at the Acquirer's place of business

**4.3.B.2.d** The *Interlink Network, Inc. Operating Regulations* may be amended periodically and each Acquirer is responsible for effecting corresponding amendments to its Merchant Agreements.

**4.3.B.3 Additional Merchant Agreement Requirements**

A Merchant Agreement must include all of the following additional provisions:

- Account or Interlink Transaction Information prohibitions, as specified in *Section 2.4.B* and *Section 5.2.D.2*.
- A requirement that the Merchant, and its agents, must comply with the provisions of the Cardholder Information Security Program
- Merchant responsibility for demonstrating compliance, by its agents, with the requirements of the Cardholder Information Security Program

**4.3.C Remote Shopping Service**

An Interlink Member is prohibited from providing a Remote Shopping Service.

**4.3.D Merchant Qualification Standards****4.3.D.1 Acquirer Responsibility**

Prior to entering into a Merchant Agreement, an Acquirer must abide by the *Interlink Network, Inc. Operating Regulations*, as well as applicable laws or regulations.

#### **4.3.D.2 Merchant Financial Responsibility**

**4.3.D.2.a** Prior to entering into a Merchant Agreement, an Acquirer must determine that a prospective Merchant is financially responsible and that there is no significant derogatory background information about any of its principals. The Acquirer may obtain this information through the following:

- Credit reports
- Personal and business financial statements
- Income tax returns
- Other information available to the Acquirer

**4.3.D.2.b** An Acquirer must, whenever feasible, conduct a physical inspection of the business premises of a prospective Merchant.

#### **4.3.E Disclosure of Interlink Transaction Information**

##### **4.3.E.1 General**

Except as specified in *Section 4.3.E.2.b*, an Acquirer must obtain the prior written consent of the Issuer and Interlink before disclosing a Cardholder's Account Number, personal information, or other Interlink Transaction Information to third parties other than the Acquirer's Agents for the sole purpose of completing a Transaction.

##### **4.3.E.2 Acquirer Responsibilities**

**4.3.E.2.a** If the Acquirer divulges information as described in *Section 4.3.E.1*, the Acquirer must ensure that its Agents and the Agents' employees:

- Make no further disclosure of the information and
- Treat the information as confidential

**4.3.E.2.b** An Acquirer may only disclose Interlink Transaction Information to third parties, approved by Interlink, for the sole purpose of providing fraud control services.

**4.3.E.2.c** Procedures for approval of third parties are available from Interlink upon request.

**4.3.E.2.d** A third party that stores, processes, or transmits Cardholder data, as specified in *Section 5.2.D.2.b*, must comply with the requirements of the Cardholder Information Security Program, as specified in *Section 2.6*.

**4.3.E.2.e** An Acquirer that discloses, or allows its Merchants to disclose, Interlink Transaction Information to a third party that has not demonstrated its compliance with the Cardholder Information Security Program, is subject to the fines and penalties specified in *Section 1.6.C.6*.

### **4.3.F Prohibitions**

Acquiring of Interlink Transactions is not permitted in Canada.

## **4.4 Terminal Requirements**

### **4.4.A General**

#### **4.4.A.1 Availability**

A Merchant must take all reasonable action to ensure that its Point-of-Transaction Terminals and PIN Pads operated at the Merchant's Outlet(s):

- Are available for use by all Cardholders for Transactions
- Function reliably
- Comply with the V.I.P. System SMS Interlink Technical Specifications, PIN Management Requirements Documents, and *Visa PIN Security Program Guide*

#### **4.4.A.2 Point-of-Transaction Terminal**

**4.4.A.2.a** A Merchant must use a Point-of-Transaction Terminal to initiate all Transactions, except for Pre-Authorization Completions.

**4.4.A.2.b** A Merchant must have a correctly operating Point-of-Transaction Terminal at, or in proximity to, the Point-of-Transaction.

**4.4.A.2.c** A Merchant must ensure that its Point-of-Transaction Terminal complies with the V.I.P. System SMS Interlink Technical Specifications, PIN Management Requirements Documents, and the *Visa PIN Security Program Guide*.

#### **4.4.A.3 PIN Requirements**

An original Transaction must be initiated as follows:

- Point-of-Transaction Terminal reads the Magnetic-Stripe Data or Chip data from the Card

- Cardholder keys in the PIN at the PIN Pad located at or in proximity to the Point-of-Transaction, except either:
  - As specified in Section 5.5
  - For the submission of a pre-authorized completion Transaction

#### **4.4.A.4 PIN Pad**

**4.4.A.4.a** A Merchant must have an operating PIN Pad with an alphanumeric keyboard at, or in proximity to, any Point-of-Transaction where a Card is accepted.

**4.4.A.4.b** A Merchant must ensure that its operating PIN Pad complies with the V.I.P. System SMS Interlink Technical Specifications, PIN Management Requirements Documents, and *Visa PIN Security Program Guide*.

#### **4.4.A.5 Unique Key Per Device**

For all installed Terminals, the secret cryptographic key that relates to PIN security (e.g., used to encrypt PINs or other keys or to verify the legitimacy of a device) and that is ever resident within a PIN Entry Device must be unique to that device. It must be unrelated (except by chance) to any key in any other PIN Entry Device.

#### **4.4.A.6 Service Code**

An Acquirer must not prevent the acceptance of a Card encoded with an unrecognized Service Code.

#### **4.4.A.7 Expiration Date**

A Terminal that validates the track 2 encoded expiration date must be able to support the necessary processing logic to determine valid Cards encoded, as specified in *Section 10.5.C*.

#### **4.4.B Scrip Terminals**

A Scrip Transaction must not be processed on the Interlink Network.

#### **4.4.C Unattended Cardholder-Activated Terminals**

##### **4.4.C.1 Merchant Responsibility**

A Merchant must post all of the following information at or near each of its Unattended Cardholder-Activated Terminals:

- Location(s) or place(s) of redemption for merchandise
- Days and hours of operation of the location(s)

- Any time limit within which the merchandise must be redeemed
- Merchant's policy regarding:
  - Lost merchandise
  - Refunds of unused merchandise and
  - Cardholder information to use in the event of an error or malfunction
- Notification that the Cardholder's Account will be debited when the Transaction is completed, regardless of when the merchandise is used
- Any other restrictions on the issuance or redemption of merchandise

#### **4.4.C.2 Restrictions**

**4.4.C.2.a** A Merchant must ensure that money orders, travelers checks, and similar negotiable instruments are not dispensed at Unattended Cardholder-Activated Terminals.

**4.4.C.2.b** The amount of merchandise dispensed must be reported as the purchase amount.

**4.4.C.2.c** The dispensing of cash from an Unattended Cardholder-Activated Terminal is prohibited.

**4.4.C.2.d** An Unattended Cardholder-Activated Terminal must not dispense Scrip.

#### **4.4.D Chip-Reading Devices**

The Card and Cardholder must be present for all Chip-initiated Transactions.

If a Chip-initiated Transaction is declined by the Issuer, the Transaction must not be processed by any other means.

If the Chip or Chip-Reading Device is inoperable, the Merchant must obtain an online Authorization using the Magnetic Stripe.

##### **4.4.D.1 General Requirements**

###### **4.4.D.1.a Chip-Reading Device Requirements**

An Acquirer must ensure that a Chip-Reading Device:

- Has been approved by Interlink, Visa, or an entity authorized by Interlink
- Complies with:
  - *Transaction Acceptance Device Requirements*
  - *Visa Integrated Circuit Card Specification (VIS)*
- Is capable of reading the Magnetic Stripe
- Acts upon the Service Code read from the Magnetic Stripe

- Is capable of reading the Contact Chip if present, and does not allow the Chip-Reading Device to override the Chip Authorization controls by manually prompting the device to use the Magnetic Stripe. The Magnetic Stripe may be read only if the Chip is not VIS-Compliant, or the Contact Chip or Chip reader is inoperable.
- Performs Terminal Risk Management, as specified in the *EMV Integrated Circuit Card Specifications for Payment Systems*
- If the Acquirer is capable of processing Full-Chip Data, supports Post-Issuance Application Change commands
- Captures and transmits Full-Chip Data for all Chip-initiated Transactions
- Presents mutually supported Payment Applications contained in the Chip to the Card, or to the Cardholder where the Cardholder has the ability to select the Payment Application
- Does not discriminate between Payment Applications, except as stipulated by the Chip parameters
- Supports variable-length Account Numbers up to and including 19 digits

#### **4.4.D.1.b Acquirer Device Validation Toolkit**

An Acquirer must successfully complete the Acquirer Device Validation Toolkit (ADVT) process, as specified in the *Acquirer Device Validation Toolkit User Guide*, before deploying or upgrading a Chip-Reading Device. An Acquirer that fails to successfully complete the ADVT process may be subject to the requirements of *Section 3.12.E*.

An Acquirer that tests with the ADVT must submit test results using the Chip Compliance Reporting Tool (CCRT).

An Acquirer may perform ADVT testing only on a device containing a kernel or interface module (IFM) with an expiration date after 1 July 2010.

An Acquirer must not submit ADVT test results for a device containing a kernel or interface module (IFM) that has expired.

#### **4.4.D.1.c Acquirer Chip Card Acceptance Requirements**

A Full-Chip Data Acquirer must accept and process VIS and Common Core Definitions Chip Cards, as specified in the:

- *Interlink Member Implementation Guide*
- *VSDC Member Implementation Guide*
- *VSDC System Technical Manual*

#### **4.4.D.1.d Chip-Reading Device PIN Pad Requirements**

A Chip-Reading Device must:

- Have an active PIN pad
- Comply with Interlink encryption standards

- Act on the Cardholder Verification Method List

#### **4.4.D.1.e Chip Transaction Processing Requirements – U.S. Region**

In the U.S. Region, all transactions initiated with an Interlink-owned Application Identifier must be processed as an Interlink Transaction, Visa, Visa Electron, or Plus transaction, as applicable.

This provision does not apply to transactions from US. Covered Visa Debit Cards initiated with the Visa U.S. Common Debit Application Identifier.

#### **4.4.D.1.f Chip Transaction Acquirer Data Requirements**

An Acquirer that processes a Chip-initiated Transaction must:

- Properly identify the Authorization response code in the Clearing Record of a Transaction initiated by a Chip-Reading Device, as specified in the VisaNet manuals
- Use the appropriate POS Entry Mode code value ("05," "07," "91," or "95")
- Support Full-Chip Data processing via its host system. An Acquirer that is unable to support Full-Chip Data processing via its host system must not deploy or support Chip-Reading Devices with Chip functionality enabled and must either:
  - Update its host system and network functionality to support Full-Chip Data
  - Disable Chip functionality in all Chip-Reading Devices connected to its host system

#### **4.4.D.1.g Acquirer Chip-Reading Device Information Responsibilities**

An Acquirer is responsible for the actions of a Chip-Reading Device that provides improper information and processing decisions to the Chip.

### **4.4.D.2 Contactless Chip-Reading Devices**

#### **4.4.D.2.a Contactless Chip-Reading Device Testing Requirements**

In the U.S. Region, an Acquirer must successfully complete Contactless Device Evaluation Toolkit (CDET) testing, as specified in the *Visa Contactless Device Evaluation Toolkit User Guide*, for all new contactless Chip-Reading Devices and any existing contactless Chip-Reading Devices that have undergone a significant hardware or software upgrade, prior to deployment. Testing may be performed using the Visa CDET test tool/pack or using a Visa- or Interlink-approved third party-developed tool.

#### **4.4.D.2.b Contactless Chip-Reading Device Combination Testing Requirements**

An Acquirer or Acquirer's Agent must perform successful combination testing using the ADVT-qVSDC device module or other Interlink-approved combination testing tool before deployment of a quick Visa Smart Debit/Credit (qVSDC) contactless payment reader at a Point-of-Transaction Terminal.

#### **4.4.D.2.c Contactless Chip Card Payment POS Entry Mode Code**

An Acquirer must ensure that a Contactless Chip-Reading Device uses the proper POS Entry Mode code, as specified in the *V.I.P. System SMS Interlink Technical Specifications*, to identify that the Transaction is processed as one of the following:

- Contact Chip Card Transaction
- Contactless Chip Card Transaction
- Magnetic-Stripe Card Transaction

#### **4.4.D.2.d Contactless Chip-Reading Device Compliance**

A Contactless Chip-Reading Device must comply with the Visa Contactless Payment Specification 2.0 or later and must be capable of processing a Transaction using the qVSDC transaction path and transmitting the resulting Chip data to VisaNet.

In the U.S. Region, a newly placed Contactless Chip-Reading Device must comply with the Visa Contactless Payment Specification version 1.4.2 or later. Contactless Chip-Reading Devices supporting version 2.0 or later must be able to process Transactions using both the MSD and qVSDC transaction paths. Additionally, the Merchant's Acquirer must be certified to process Full-Chip Data.

In the U.S. Region, a newly placed Contactless Chip-Reading Device must comply with the Visa Contactless Payment Specification 2.1.1 or later and must actively support both the MSD and qVSDC transaction paths.

**Effective 1 January 2015**, in the U.S. Region, MSD transaction path support is not required for Contactless Chip-Reading Devices.

#### **4.4.D.2.e Acquirer Contactless Program Requirements**

An Acquirer must:

- Comply with the *Visa U.S.A. Contactless Payment Program Member Implementation Guide*
- Ensure that its Merchant displays the Contactless Payment signage specified in the *Contactless Indicator and Contactless Symbol Reproduction and Applications Guide*

#### **4.4.D.2.f Merchant Registration for Contactless Payment Transactions**

An Acquirer must register its Merchant with Interlink in order for the Merchant to accept Interlink Contactless Payment Transactions. Registration information is available upon request from Interlink.

#### **4.4.D.2.g Contactless Payment Processing**

An Acquirer that processes Contactless Payment Transactions must:

- Transmit the full contents of the Magnetic Stripe or Contactless Payment Chip, including any Device Indicator values, if present, in its Authorization request
- Assign the appropriate Terminal Entry Capability code in the Clearing Record, as specified in the *V.I.P. System SMS Interlink Technical Specifications*



- Comply with the Visa Smart Debit/Credit and Visa payWave U.S. Acquirer Implementation Guide

#### **4.4.D.3 Liability Shift (Effective 1 October 2015)**

##### **4.4.D.3.a EMV Liability Shift - Acquirer Liability for Card-Present Counterfeit Card Transactions**

Counterfeit Card Transactions completed in a Card-Present Environment are the liability of the Acquirer if all of the following:

- The Card is a Contact Chip Card
- The Transaction does not take place at a Chip-Reading Device
- The Transaction is not a Fallback Transaction completed following correct acceptance procedures

##### **4.4.D.3.b Acquirer Liability for Fallback Transactions**

Transactions accepted as Fallback Transactions are the liability of the Acquirer if:

- The Card is a Contact Chip Card
- One of the following:
  - Transaction is not authorized by the Issuer or the Issuer's agent
  - Transaction is authorized by the Issuer or the Issuer's agent, and the appropriate values identifying the Transaction as a Fallback Transaction are not included within the Authorization Message
- The Account Number was resident on the Exception File with a negative response on the Processing Date of the Chargeback and was on the Exception File for a total period of at least 60 calendar days from the date of listing

#### **4.4.D.4.Global Chip Fallback Monitoring Program**

##### **4.4.D.4.a Global Chip Fallback Monitoring Program Criteria**

An Acquirer is placed in the Global Chip Fallback Monitoring Program if it meets or exceeds all of the monthly performance activity levels for international Chip-initiated Transactions specified in the *Global Chip Fallback Monitoring Program Guide*.

At the option of Interlink, this program applies to Domestic Transactions, as detailed in the *Global Chip Fallback Monitoring Program Guide*.

Interlink may modify or create new monthly performance levels after evaluation of the program's effectiveness in identifying Acquirer-country combinations with excessive amounts of Fallback Transaction activity that could cause undue economic hardship or damage to the goodwill of the Interlink System, as specified in the *Global Chip Fallback Monitoring Program Guide*.

#### **4.4.D.4.b Acquirer Penalty for Global Chip Fallback Monitoring Program Identification**

An Acquirer is subject to a penalty of \$1 per Fallback Transaction when the Acquirer-country combination meets or exceeds the minimum Transaction volume and percentage parameters specified in the *Interlink Network, Inc. Operating Regulations* and the *Global Chip Fallback Monitoring Program Guide*.

#### **4.4.D.4.c Global Chip Fallback Monitoring Program – Interlink Rights**

Interlink may assess or suspend penalties to accommodate unique or extenuating circumstances, as specified in the *Global Chip Fallback Monitoring Program Guide*. Penalties will no longer be assessed once the Acquirer has met acceptable performance levels.

## **4.5 Merchant Interface System**

### **4.5.A Acquirer Responsibilities**

An Acquirer must ensure that its Merchants maintain a Merchant Interface System that complies with the Interlink Technical Specifications, PIN Management Requirements Documents, and *Visa PIN Security Program Guide*.

### **4.5.B Transmission and Processing of Transactions**

The Merchant Interface System must:

- For each Transaction, transmit the specified information required by the *Interlink Technical Specifications*
- Process each Transaction submitted to it unless prevented from doing so by a technical malfunction

### **4.5.C Transaction Processing**

#### **4.5.C.1 Merchant Interface System**

The Merchant Interface System must be capable of processing all of the following Transactions:

- Purchase Transactions
- Reversals
- Chargebacks, Representments, and Adjustments
- Chargeback Reversals
- Responses to each of the above Transactions
- Partial Authorization transactions

### 4.5.C.2 Merchant Responsibilities

An Acquirer may, at its option, process the following Transactions:

- Balance inquiries
- Pre-Authorizations
- Credit Transactions
- Kiosk Shopping Transactions
- Quasi-Cash Transactions
- Responses to each of the above Transactions

### 4.5.C.3 Partial Authorization – Acquirer Responsibilities

An Interlink Acquirer must:

- Support an Authorization request message for terminals that have been programmed to accept a Partial Authorization response
- Include the Partial Authorization indicator in the Authorization request message, as specified in the *SMS Interlink Technical Specifications* and appropriate *VisaNet User's Manual*
- Support partial approval amounts and Partial Authorization (Response Code "10") from an Issuer, as specified in the *SMS Interlink Technical Specifications* and appropriate *VisaNet User's Manual*, for terminals that have been programmed to accept Partial Authorization responses
- Accept and forward to Visa an Authorization Reversal received subsequent to a Partial Authorization response
- Submit a Clearing Transaction for no more than the amount approved in the Partial Authorization response
- Obtain systems certification from Visa to receive and transmit Partial Authorization transactions as specified in the *SMS Interlink Member Implementation Guide*, *SMS Interlink Technical Specifications* and appropriate *VisaNet User's Manual*

#### 4.5.C.3.a Partial Authorization Service - Merchant Requirements

A Merchant that provides Cash-Back must participate in the Partial Authorization service. Merchants must:

- Include the Partial Authorization indicator in the Authorization request message, as specified in the *SMS Interlink Technical Specifications* and appropriate *VisaNet User's Manual*
- Submit an Authorization Reversal if the Cardholder elects not to complete the purchase, as specified in the *SMS Interlink Technical Specifications* and appropriate *VisaNet User's Manual*
- Submit a Clearing Transaction for no more than the amount approved in the Partial Authorization response

#### **4.5.C.4 Credit Transactions**

An Acquirer is liable to the Issuer for each Credit Transaction approved by the Issuer and must settle for the full amount of the Transaction.

#### **4.5.C.5 Cash Back Transactions**

An Acquirer (and its Merchants) that allows Cardholders to initiate cash back Transactions through the Interlink Network, must transmit in the Transaction Record the cash amount provided to the Cardholder.

#### **4.5.C.6 Merchant Identification**

**4.5.C.6.a** An Acquirer must provide written notice to Interlink identifying each Merchant that it sponsors into the Interlink Program, not less than 3 Business Days prior to initiation of the first Transaction.

**4.5.C.6.b** An Acquirer sponsoring 50 or more Merchants must provide Merchant information to Interlink by mailing a 3-1/2" diskette or e-mailing an attachment containing the Merchant information.

**4.5.C.6.c** The Merchant name and location information may be used by Interlink on the Internet for use by consumers and others to view.

**4.5.C.6.d** The Merchant name may be disclosed on Interlink Network presentation materials.

#### **4.5.C.7 Adjustment Transactions**

**4.5.C.7.a** If a Merchant or Acquirer determines that an original Transaction was incorrect, the Acquirer must transmit a debit or credit Adjustment message within 45 calendar days from the Transaction Date to correct the amount in error.

**4.5.C.7.b** The Adjustment message must contain, in the "supporting information field" all of the following information from the original Transaction Date:

- Transaction Date
- Merchant name and location
- Greenwich Mean Time
- Trace Number

**4.5.C.7.c** If required data is not present and/or is inaccurate, the Adjustment could be subject to Chargeback and/or fines.

**4.5.C.7.d** An Acquirer cannot adjust a Transaction after a Chargeback has been processed.

## 4.6 Merchant Category Code Assignment

An Acquirer must assign:

- The appropriate Merchant Category Code to reflect each Merchant's principal line of business, as specified in the *Visa Merchant Data Standards Manual*
- Merchant Category Code 5541 to a Merchant that is a retail seller of fuel requiring Cardholders to present a Card to an attendant in order to complete the transaction
- Merchant Category Code 5542 to a Merchant that is a retail seller of automotive gasoline through the use of an Automated Fuel Dispenser, enabling Cardholders to purchase fuel by completing the transaction at the pump

## 4.7 Automated Clearing House Requirements

An Acquirer must not route Transactions to the Issuer through a processing arrangement with the Automated Clearing House.

## 4.8 Acquirer Exception Item Fee

An Acquirer must pay a fee per exception item when exception item Transactions exceed 0.15 percent of the total settled Transaction for two consecutive months, as specified in Section 9.8.

## 4.9 Retention of Records

An Acquirer must maintain a record of all information sent to it by either Interlink, another Interlink Member, or a Merchant for a period of 2 years, or in compliance with applicable laws or regulations, whichever is greater.

## 4.10 Error Resolution

### 4.10.A Acquirer Responsibilities

An Acquirer must cooperate fully with Interlink and all Interlink Members in the resolution of Cardholder disputes and errors, as specified in Chapter 7, "*Dispute Resolution*."

### 4.10.B Requesting Information

If Interlink or any Interlink Member requests information relating to a Transaction Record that involves that Interlink Member, an Acquirer must send the requested information to Interlink or the Interlink Member within 10 calendar days of receipt of the request.

## **4.11 Visa Merchant Direct Exchange Merchant**

### **4.11.A. Visa Merchant Direct Exchange Merchant Transaction Delivery**

VisaNet accepts the direct delivery of Transactions for Clearing and Settlement from a Visa Merchant Direct Exchange Merchant. An Acquirer must:

- Be capable of receiving reports or records, as specified in the appropriate VisaNet manual, as notification that:
  - Clearing and Settlement occurred for those Transactions
  - Payment is due to the Merchant
- Accept total responsibility for Visa Merchant Direct Exchange Merchant Transactions

### **4.11.B. Visa Merchant Direct Exchange Merchant Downgrade or Termination**

For Interchange processing access provided to a Visa Merchant Direct Exchange Merchant at an Acquirer's request, the Acquirer may terminate the receipt or transmission of Interchange or downgrade its VisaNet processing level. The Acquirer must:

- Notify Interlink in writing at least 3 months before the termination or effective date of the downgrade
- Be responsible for the VisaNet access charges that would have been assessed until the designated termination date, if the Acquirer terminates the receipt or transmission of Interchange before the designated termination date

Access and processing levels must have been in effect at least 12 months on the designated effective date of the downgrade or termination.

## **4.12 Healthcare Auto-Substantiation**

### **4.12.A Healthcare Auto-Substantiation Transactions - Acquirer Responsibilities**

An Acquirer or its Agent that processes a Healthcare Auto-Substantiation Transaction from a SIGIS-certified Merchant must:

- Be licensed and certified by SIGIS
- Provide the Flexible Spending Account or Health Reimbursement Arrangement BIN list to the certified Merchant
- Comply with all the requirements stipulated by SIGIS, including storage and fulfillment of Transaction Receipt data, as specified in:

- The Visa Healthcare Auto-Substantiation Transactions Retrieval of SIGIS Receipt Detail Implementation Guide
  - Section 7.2.D
- Request an IAS Merchant verification value (MVV) on behalf of the SIGIS-certified Merchant and provide the MVV to the Merchant
- Include the IAS MVV in the Authorization request
- Comply with the Visa Healthcare Auto-Substantiation Transaction Documents

#### **4.12.B Healthcare Auto-Substantiation Merchant Requirements**

An Acquirer that participates in Healthcare Auto-Substantiation must ensure that:

- Participating Merchants comply with the Visa Healthcare Auto-Substantiation Transaction Documents
- The Merchant has obtained a license from, and is certified by, SIGIS to process Healthcare Auto-Substantiation Transactions
- The substance of the provisions are included in the Merchant Agreement or as a separate addendum

## 5 Card Acceptance

### 5.1 Introduction

This chapter specifies requirements for Card acceptance by Merchants and Interlink Members.

### 5.2 Merchant Card Acceptance

This section specifies general requirements for Merchants accepting Cards for payment. Additional requirements for Merchant Agreements are specified in Chapter 4, "*Acquirer Standards*."

#### 5.2.A Display of Interlink Marks

An Acquirer must ensure that its Merchants comply with the *Interlink Network, Inc. Operating Regulations* regarding use of Interlink Marks.

##### 5.2.A.1 Interlink Marks

**5.2.A.1.a** A Merchant must display the Interlink Marks to indicate that it accepts Cards for payment.

**5.2.A.1.b** If the Interlink Marks are displayed at a Merchant Outlet, the Interlink Marks must be:

- Displayed in full color, as specified in *Section 10.3.B*
- Prominently displayed on all permanent signs or decals at a Merchant's Terminal and storefront entrance door and/or window, wherever any other Acceptance Mark is displayed

**5.2.A.1.c** A Merchant is not required to display the Interlink Marks if it does not deal with the general public (e.g., private club) or if prohibited by trade association rules.

**5.2.A.1.d** A Merchant must not display the Interlink Marks, Interlink Wordmark, or Network Design Mark on a Scrip Terminal.

##### 5.2.A.2 Promotional Material

**5.2.A.2.a** If a Merchant uses promotional materials or advertisements that include the use of the Interlink Marks, an Acquirer must approve the materials or advertisements in advance.

**5.2.A.2.b** The Merchant may:

- Indicate in a single advertisement, display, or notice that the Interlink Network service is available and



- Use the Interlink Marks on promotional, printed, or broadcast materials only to indicate that it accepts Cards for payment

**5.2.A.2.c** All marketing materials referring to an Interlink Member's or Merchant's participation in the Interlink Program must bear the Interlink Marks.

**5.2.A.2.d** A Merchant must not:

- Indicate or imply that the Interlink Network endorses any Merchant goods or services
- Refer to the Interlink Network in stating eligibility for its products, services, or membership
- Use the Interlink Marks for any purpose other than those permitted in the *Interlink Network, Inc. Operating Regulations* or without written permission from Visa U.S.A.

**5.2.A.2.e** Upon termination of the Merchant Agreement, the Merchant must:

- Cease to display the Interlink Marks
- Not use the Interlink Marks in any way
- Promptly either return to the Acquirer or destroy any materials displaying the Interlink Marks

## **5.2.B Honoring Cards**

### **5.2.B.1 Cards**

A Merchant must promptly honor all valid Cards when presented by Cardholders for Transactions.

### **5.2.B.2 Affinity Cards**

**5.2.B.2.a** A Merchant that wants to accept Affinity Cards, including an Affiliated-Merchant that is affiliated with an Affinity Partner, must also accept all Cards, without limitation or exception.

**5.2.B.2.b** Any Affiliated-Merchant which is affiliated with an Affinity Partner must display the Interlink Marks independently from any identification of the Affinity Partner.

- An Affinity Card reproduction must not be displayed at the Point-of-Transaction as part of a decal.

**5.2.B.2.c** Interlink Network reserves the right to require modification of any display of the Affinity Partner's Trade Name or Marks at a Merchant Outlet if the Interlink Network reasonably determines that such display adversely affects the Interlink Network brand.

**5.2.B.2.d** Except where prohibited by applicable laws or regulations, a Merchant may provide Cardholders with a discount, promotional offer, or in-kind incentive at the Point-of-Transaction that is not available for other Interlink Cards.

**5.2.B.2.e** A Merchant or an Affiliated-Merchant must not promote at the Point-of-Transaction the availability of discounts on purchases made with an Affinity Card.

### 5.2.B.3 Uniform Services

A Merchant must treat all Transactions equally regardless of the Issuer involved in the Transaction, unless otherwise specified in the *Interlink Network, Inc. Operating Regulations*.

## 5.2.C Prohibitions

### 5.2.C.1 Minimum and Maximum Transactions

**5.2.C.1.a** A Merchant must not:

- Establish minimum Transaction amounts as a condition for honoring Cards
- Establish maximum Transaction amounts
- Combine quasi-cash purchases with any other purchase into a single Transaction
- Complete a Quasi-Cash Transaction representing the sale of a money order or travelers checks if the sole purpose of the sale is to allow the Cardholder to make a cash purchase of goods or services from that same Merchant
- Accept a Card for an ATM cash disbursement
- Accept a Card for the purchase of Scrip

**5.2.C.1.b** Each Merchant that allows Cardholders to initiate Cash Back Transactions may establish minimum and maximum cash back amounts, as specified in *Section 5.3.A*.

### 5.2.C.2 Surcharges

**5.2.C.2.a** All Merchant Agreements must clearly state that the Merchant must not impose a surcharge on any Transaction.

**5.2.C.2.b** A Merchant may offer a "discount for cash," provided it is clearly disclosed to consumers as such, and the cash price is presented as a discount from the standard price available for all other means of payment.

**5.2.C.2.c** A Merchant that was operational in the Interlink Network **as of 23 September 1993** and was levying a surcharge as of that date may surcharge **until 1 November 2015** at its locations operated under the Merchant's Trade Name that are located in the original five-state Interlink Network market area of Arizona, California, Nevada, Oregon and Washington.

**5.2.C.2.d** A Merchant that was operational in the Interlink Network **as of 23 September 1993** and was not levying a surcharge as of that date must not thereafter levy a surcharge.

**5.2.C.2.e** Except as specified in *Section 5.2.C.2*, a Merchant, and its locations operating under the Merchant's Trade Name that are located in the original five-state Interlink Network market area of Arizona, California, Nevada, Oregon and Washington, may surcharge **until 1 November 2015** if:

- The Merchant became a Merchant **after 23 September 1993** by executing a Merchant Agreement **by 31 October 1993**, which agreement permits surcharging and
- The Merchant was operational and levied a surcharge **by 1 March 1994**

The surcharge amount must be provided in a separate field from the Transaction amount. See the *Interlink Technical Specifications* for specific fields.

**5.2.C.2.f Effective 1 November 2015**, all such surcharges are prohibited.

## **5.2.D Confidentiality**

### **5.2.D.1 Confidential and Proprietary Information**

**5.2.D.1.a** A Merchant must treat all Interlink Network documents, including the Interlink Technical Specifications, PIN Management Requirements Documents, and *Visa PIN Security Program Guide*, as confidential and proprietary information and protect them with the same degree of care as it would protect its own confidential and proprietary information.

**5.2.D.1.b** The Interlink Network documents may be disclosed only to employees of the Merchant with a specific need to know, and may be disclosed only to the extent required to conform to the *Interlink Network, Inc. Operating Regulations*.

**5.2.D.1.c** VisaNet consists of confidential and proprietary information belonging to Visa and Interlink. A Visa Merchant Direct Exchange Merchant must take appropriate action to ensure that its employees or agents with access to VisaNet or related documentation:

- Are advised of the confidential and proprietary nature of these systems and documentation
- Use their best efforts to protect the VisaNet Access Points
- Are prohibited from:
  - Providing access to or disclosing these systems and documentation to any third party
  - Using these systems and documentation for any purpose not authorized in the *Interlink Network, Inc. Operating Regulations*

A Visa Merchant Direct Exchange Merchant must not disclose any confidential information of Interlink or Visa or its subsidiaries to a non-Interlink Member.

### **5.2.D.2 Merchant Disclosure of Interlink Transaction Information**

**5.2.D.2.a** Except as specified in *Section 5.2.D.2.b*, a Merchant must not disclose a Cardholder Account Number, personal information, or other Interlink Transaction Information to third parties other than to the Merchant's agents, the Acquirer, or the Acquirer's Agent for the sole purpose of:

- Assisting the Merchant in completing the Transaction or
- As specifically required by applicable laws or regulations

**5.2.D.2.b** A Merchant may only disclose Interlink Transaction Information to third parties approved by Interlink.

**5.2.D.2.c** Procedures for approval of third parties are available from Interlink upon request.

**5.2.D.2.d** A Merchant must not, in the event of its failure, including bankruptcy, insolvency, or other suspension of business operations, sell, transfer, or disclose any materials that contain Cardholder Account Numbers, personal information, or Interlink Transaction Information to third parties. The Merchant must:

- Return this information to its Acquirer or
- Provide acceptable proof of destruction of this information to its Acquirer, in each case using appropriate physical, organizational and technological security measures to protect such information against loss, theft and unauthorized access, disclosure, copying, use, or modification, as required by applicable laws or regulations.

### **5.2.D.3 Agent Disclosure of Interlink Transaction Information**

**5.2.D.3.a** An Agent must not disclose a Cardholder Account Number, personal information, or other Interlink Transaction Information to third parties, other than for one of the following reasons:

- For the sole purpose of completing the Transaction
- As required by applicable laws or regulations
- With the permission of the Issuer, Acquirer, or Interlink, as specified in the *Interlink Network, Inc. Operating Regulations*

**5.2.D.3.b** An Acquirer's Agent must not, in the event of its failure, including bankruptcy, insolvency, or other suspension of business operations, sell, transfer, or disclose any materials that contain Cardholder Account Numbers, personal information, or other Interlink Transaction Information to third parties. The Agent must:

- Return this information to its Acquirer or
- Provide acceptable proof of destruction of this information to its Acquirer

### **5.2.D.4 Storage**

**5.2.D.4.a** A Merchant or its agent must both:

- Store all material containing Cardholder Account Numbers or imprints (e.g., Transaction Receipts, car rental agreements, carbons) in an area limited to selected personnel
- Render all data unreadable prior to discarding

**5.2.D.4.b** The Merchant or its agent must not retain or store Magnetic-Stripe Data subsequent to Authorization of a Transaction.

### **5.2.D.5 Additional Merchant Security Requirements**

**5.2.D.5.a** An Acquirer must ensure that its Merchant complies with the following security requirements:

- Implement and maintain all of the security requirements, as specified in the Cardholder Information Security Program
- Immediately notify Interlink, through its Acquirer, of the use of an agent
- Ensure that its agent implements and maintains all of the security requirements, as specified in the Cardholder Information Security Program
- Immediately notify Interlink, through its Acquirer, of any suspected or confirmed loss or theft of material or records that contain Account information and both:
- Demonstrate its ability to prevent future loss or theft of Account or Transaction information, consistent with the requirements of the Cardholder Information Security Program
- Allow Interlink, or an independent third party acceptable to Interlink, to verify this ability by conducting a security review, at the Acquirer's own expense

**5.2.D.5.b** Interlink may inspect the premises of a Merchant, or its agent for compliance with the security requirements, as specified in *Section 5.2.D.5.a*

**5.2.D.5.c** If a Merchant, or its agent does not comply with the security requirements, as specified in *Section 5.2.D.5.a*, or fails to rectify a security issue, Interlink may:

- Impose restrictions on the Merchant or
- Permanently prohibit the Merchant from participating in the Interlink Program

### **5.2.E PIN Requirements**

#### **5.2.E.1 General Requirements**

A Transaction must be initiated as follows:

- The Magnetic-Stripe Data or Chip data must be read from the Card by a Point-of-Transaction Terminal
- The Cardholder must enter the PIN at the PIN Pad located at, or in proximity to, the Point-of-Transaction, except:
  - As specified in Section 5.3 and Section 5.5
  - To complete a pre-authorized Transaction

#### **5.2.E.2 Point-of-Sale PIN Device Requirements**

**5.2.E.2.a** All point-of-sale PIN Pads must be Visa approved and TDES capable.

## **5.2.F Transactions**

The applicable data relating to the Transaction must be sent electronically to the Merchant Interface System and through the Interlink Switch to the Card Authorization System.

### **5.2.F.1 Authorizations**

A Merchant must not complete a Transaction that has not received an Authorization, except as specified in *Section 5.3.E*, *Section 5.5*, and *Section 5.6*.

### **5.2.F.2 Pre-Authorizations**

**5.2.F.2.a** A Pre-Authorization request may be initiated at or in proximity to the Point-of-Transaction.

**5.2.F.2.b** The Pre-Authorization request must be:

- Initiated using a Cardholder-entered PIN at a Point-of-Transaction Terminal
- For a specified amount<sup>8</sup>

**5.2.F.2.c** The Pre-Authorization Completion must be sent within X hours of the Pre-Authorization Request.

**5.2.F.2.d** Funds must not be transferred until a Pre-Authorization Completion is received for the actual amount of the Transaction.

**5.2.F.2.e** To complete a Pre-Authorization Transaction, use of the PIN and/or Point-of-Transaction Terminal is not required.

### **5.2.F.3 Partial Pre-Authorizations**

A Merchant that initiates Pre-Authorization Transactions must support the processing of Partial Pre-Authorizations.

### **5.2.F.4 Cardholder Identification**

**5.2.F.4.a** A Merchant must require a Cardholder to enter his/her PIN to originate a Transaction.

**5.2.F.4.b** A Merchant must not request or require the Cardholder signature or any other means of verifying Cardholder identity.

**5.2.F.4.c** The Merchant must not ask the Cardholder to reveal his/her PIN.

### **5.2.F.5 Technical Malfunctions**

When a technical malfunction prevents electronic initiation and completion of a Transaction, the Merchant may have the option of utilizing Sales Drafts, as specified in *Section 5.5*.

### 5.2.F.6 Balance Inquiries

A balance inquiry may be completed only at a Cardholder-operated Terminal with a Cardholder PIN.

### 5.2.F.7 Credit Transaction

**5.2.F.7.a** A Merchant may initiate a Credit Transaction only if the Cardholder provides the Transaction Receipt from the original Transaction.

**5.2.F.7.b** A Credit Transaction must:

- Be processed to the same Card as the original Transaction within 1 year following the original Transaction Date
- Be initiated through use of a PIN and a Point-of-Transaction Terminal
- Include the Transaction Date of the original Transaction
- Be for an amount less than or equal to that of the original Transaction
- Be initiated from the same Merchant as the original Transaction (same Terminal or Merchant Outlet is not required)

**5.2.F.7.c** A Credit Transaction may be used by a Merchant to credit a Cardholder for the return of goods purchased through a Kiosk Terminal, provided the Transaction is initiated at the Kiosk Shopping Merchant Outlet. This Transaction does not require the PIN and Magnetic-Stripe or Chip Data, but must comply with all other requirements, as specified in *Section 5.2.F.7*.

## 5.2.G Transaction Reversals

### 5.2.G.1 Reversals

**5.2.G.1.a** A Merchant may reverse a Transaction electronically to cancel a previous Transaction that has timed out or was not acknowledged and the Reversal is entered the same Settlement day as the original Transaction.

**5.2.G.1.b** A Reversal must only be used for a Transaction that did not complete due to time out or lack of acknowledgement.<sup>12</sup>

**5.2.G.1.c** To complete a Reversal, all of the following must occur:

- Reversal must be initiated at the same Merchant where the original Transaction occurred. It need not be the same Terminal.
- Merchant must transmit the Trace Number and the exact amount of the Transaction to be reversed.

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<sup>12</sup> If a Merchant needs to correct an original, completed Transaction they must use an Adjustment.

## 5.2.H Transaction Receipt

### 5.2.H.1 Transaction Receipt Requirements

**5.2.H.1.a** The Merchant must make available to each Cardholder a written receipt that complies with all applicable laws and regulations, including, but not limited to, Federal Reserve Regulation E - Electronic Fund Transfers.

**5.2.H.1.b** A Transaction Receipt must include all of the following:

- Transaction amount
- Transaction Date
- Transaction type (e.g., payment from Primary Account)
- Only the last four-digits of the Account Number
- Terminal location
- Name of Merchant providing the goods, services, or cash
- Trace Number

The requirements specified in this section also apply to Transactions not involving the transfer of funds, such as balance inquiries or Pre-Authorization requests.

## 5.3 Special Merchant Card Acceptance

### 5.3.A Cash Back Transactions

#### 5.3.A.1 Transaction Requirements

An Acquirer (and its Merchant) that allows Cardholders to initiate Cash Back Transactions through the Interlink Network must comply with the requirements specified in *Section 4.5.C.5*.

#### 5.3.A.2 Declined Transactions

If a Cash Back Transaction is declined, the Merchant must inform the Cardholder that a new Transaction in the amount of the purchase alone may be approved.

#### 5.3.A.3 Cash Back Fee

A Merchant may charge a fee on the cash back portion of a Transaction. If the Merchant assesses a Cash Back fee, the Merchant must:

- Disclose the cash back fee to the Cardholder prior to the completion of the Transaction



- Include the cash back fee with the cash back amount in the cash back field and in the total Transaction amount

**5.3.A.3.a** The Merchant must not assess a cash back fee unless the fee is assessed on Transactions conducted on all other payment networks

**5.3.A.3.b** A Merchant's cash back fee charged on an Interlink Transaction cannot be more than for a comparable Transaction on any other payment network

### **5.3.B Scrip Transactions**

A Merchant must not accept a Card for the purchase of Scrip.

### **5.3.C Kiosk Shopping Transactions**

#### **5.3.C.1 Kiosk Shopping Transaction Restrictions**

A Merchant must both:

- Receive written approval from Interlink for the use of a Kiosk Terminal
- Inform the Cardholder at the time of purchase of the estimated shipping date for delivery of merchandise

#### **5.3.C.2 Unavailable Merchandise**

If the merchandise is unavailable for shipment on the original shipping date, the Merchant must notify the Cardholder and request approval for the merchandise to be shipped when available.

**5.3.C.2.a** If the Cardholder approves the Kiosk Shopping Transaction, the merchandise must be shipped when available.

**5.3.C.2.b** If the Cardholder does not approve the Kiosk Shopping Transaction, the Merchant must reverse the authorized Transaction, and may request the Cardholder to initiate a purchase Transaction when the merchandise becomes available.

#### **5.3.C.3 Kiosk Shopping Transaction Requirements**

**5.3.C.3.a.** A Kiosk Terminal must consist of a Point-of-Transaction Terminal and PIN Pad that complies with the Interlink Technical Specifications, PIN Management Requirements Documents, and *Visa PIN Security Program Guide*.

**5.3.C.3.b** A Kiosk Shopping Transaction must be initiated at a Kiosk Terminal as a purchase Transaction request only.

## 5.3.D Qualified Supermarket Location Requirements

### 5.3.D.1 Merchant Requirements

A Qualified Supermarket Merchant must:

- Be a non-membership retail store primarily engaged in selling food for home preparation and consumption
- Have monthly perishables<sup>13</sup> sales representing at least 45 percent of total monthly sales
- Offer a complete line of food merchandise, including self-service groceries, meat, produce, and daily products

### 5.3.D.2 Merchant Category Code

A Qualified Supermarket must be assigned a Merchant Category Code of 5411.

### 5.3.D.3 Supermarket Indicator

A Qualified Supermarket must transmit the appropriate supermarket indicator in the Transaction message.

### 5.3.D.4 Interchange Reimbursement Fees

See Chapter 9, "*Fees and Charges*" for information about Qualified Supermarket Interchange Reimbursement Fees.

## 5.3.E Quasi-Cash Transactions

### 5.3.E.1 Quasi-Cash Transaction Requirements

A Quasi-Cash Transaction must be initiated through the use of a PIN and a Point-of-Transaction Terminal.

### 5.3.E.2 Quasi-Cash Transaction Restrictions

**5.3.E.2.a** Except as specified in *Section 5.3.F.2*, a Merchant that initiates a Quasi-Cash Transaction must transmit in its message to the Interlink Network for each Quasi-Cash Transaction, a processing code that identifies the quasi-cash item, as specified in the appropriate *VisaNet User's Manual*.

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<sup>13</sup> Perishables are defined as packaged and in-store bakery goods, daily products, delicatessen products, floral items, frozen foods, meat, and produce.

**5.3.E.2.b** A Merchant that is assigned one of the following Merchant Category Codes must comply with the requirements in either *Section 5.3.E* or *Section 5.3.F* when it initiates a Transaction that includes the purchase of a money order:

- Discount Stores (5310)
- Grocery Stores and Supermarkets (5411)
- Drug Stores and Pharmacies (5912)
- Postal Services - Government Only (9402)

**5.3.E.2.c** A Merchant that sells negotiable instruments (e.g., money orders) must use a written negotiable instrument that at a minimum:

- Is signed by the maker or drawer
- Is payable on demand
- Is payable to order of, or the bearer
- Contains the:
  - Federal Reserve routing symbol of the payor
  - Suffix of the institutional identifier of the paying bank (or non-bank payor)
  - Name, city and state address of the paying bank associated with the routing transit number

### **5.3.E.3 Advertising and Marketing Material**

All advertising and marketing materials, including but not limited to any use of the Interlink Marks, associated with the sale of negotiable instruments, must:

- Specify that the Transaction involves the purchase of a negotiable instrument and
- Clearly identify the Merchant completing the Transaction

### **5.3.E.4 Quasi-Cash Fee**

**5.3.E.4.a** A Merchant completing a Quasi-Cash Transaction:

- Must include any service or quasi-cash fee in the total Transaction amount and
- Disclose the fee to the Cardholder

**5.3.E.4.b** The Merchant must not assess a fee, unless the Merchant assesses a fee for any other payment method.

## 5.3.F Money Order Purchases

### 5.3.F.1 Merchant Requirements

A Merchant that is assigned one of the following Merchant Category Codes must comply with either *Quasi-Cash* Transactions or this section when it initiates a Transaction that includes the purchase of a money order:

- Discount Stores (5310)
- Grocery Stores and Supermarkets (5411)
- Drug Stores, Pharmacies (5912)
- Postal Services - Government Only (9402)

### 5.3.F.2 Transaction Processing Requirements

A Merchant completing a money order purchase must do both:

- Include the goods, services, money order amount, and any applicable service fee in the total Transaction amount
- Include the money order amount and any applicable service fee in the Cash Back field of the message

An Issuer has no Chargeback rights related to the money order purchase.

### 5.3.F.3 Fees

**5.3.F.3.a** A Merchant completing a money order purchase must disclose any service fee to the Cardholder.

**5.3.F.3.b** The Merchant must not assess a fee for use of a card bearing the Interlink Mark unless the Merchant assesses a fee for all methods of payment it accepts.

## 5.3.G Dynamic Currency Conversion

### 5.3.G.1 Dynamic Currency Conversion - Acquirer Requirements

**5.3.G.1.a** Before processing a Dynamic Currency Conversion Transaction, an Acquirer must:

- Comply with the Dynamic Currency Conversion registration and certification requirements as specified in the *International Transactions Guide*
- Ensure that each Merchant Outlet conducting Dynamic Currency Conversion complies with the *Interlink Network, Inc. Operating Regulations and the International Transactions Guide*

**5.3.G.1.b** An Acquirer must ensure that, before a Merchant initiates a Dynamic Currency Conversion Transaction, the Merchant complies with the following Dynamic Currency Conversion Cardholder written disclosure requirements, as specified in the *International Transactions Guide*:

- Currency symbol of the Merchant's local currency
- Transaction amount in the Merchant's local currency of the goods or services purchased
- Exchange rate used to determine the Transaction amount
- Any currency conversion commission, fees, or mark-up on the exchange rate over a wholesale rate or government-mandated rate
- Currency symbol of the proposed Transaction Currency
- Total Transaction amount charged by the Merchant in the proposed Transaction Currency

**5.3.G.1.c** An Acquirer must ensure that its Merchants comply with the Dynamic Currency Conversion active choice requirements specified in the *International Transactions Guide*.

**5.3.G.1.d** An Acquirer must include the Dynamic Currency Conversion Transaction Indicator in Authorization requests and Clearing Records for Transactions involving Dynamic Currency Conversion, as specified in the VisaNet manuals.

**5.3.G.1.e** An Acquirer must ensure that if its Merchant offers Dynamic Currency Conversion it is offered in the Cardholder Billing Currency.

## **5.3.G.2 Dynamic Currency Conversion - Merchant Requirements**

**5.3.G.2.a** A Merchant that offers Dynamic Currency Conversion must:

- Be registered with Interlink and use a solution that has been certified by Interlink as compliant with the *Interlink Network Inc, Operating Regulations*, as specified in the *International Transactions Guide*
- Inform the Cardholder that Dynamic Currency Conversion is optional
- Offer Dynamic Currency Conversion in the Cardholder Billing Currency
- Not impose any additional requirements on the Cardholder to have the Transaction processed in the local currency
- Not use any language or procedures that may cause the Cardholder to choose Dynamic Currency Conversion by default
- Not misrepresent, either explicitly or implicitly, that its Dynamic Currency Conversion service is an Interlink service
- Not convert a Transaction amount in the local currency that has been approved by the Cardholder into an amount in the Cardholder's billing currency after the Transaction has been completed but not yet entered into Interchange
- Ensure that the Cardholder expressly agrees to a Dynamic Currency Conversion Transaction, as specified in *Section 5.3.G.2*

### 5.3.G.3 Dynamic Currency Conversion – Transaction Receipt Requirements

**5.3.G.3.a** A Transaction Receipt representing Dynamic Currency Conversion at the Point-of-Transaction must show separately:

- Currency symbol of the Merchant's local currency
- Transaction amount of the goods or services purchased in the Merchant's local currency
- Exchange rate used to determine the Transaction amount
- Currency conversion commission, fees, or, mark-up on the exchange rate over a wholesale rate or government mandated rate
- Currency symbol of the Transaction Currency
- Total Transaction amount charged by the Merchant in the Transaction Currency and the words "Transaction Currency"
- Statement, easily visible to the Cardholder, that specifies that the:
  - Cardholder has been offered a choice of currencies for payment, including the Merchant's local currency
  - Cardholder expressly agrees to the Transaction Receipt information, as specified in the *International Transaction Guide*

The Transaction Receipt must indicate that Dynamic Currency Conversion is conducted by the Merchant.

### 5.3.G.4 Dynamic Currency Conversion – Fees and Penalties

**5.3.G.4.a** An Acquirer that participates in Dynamic Currency Conversion must pay an annual program fee, as specified in the *Visa U.S.A. Fee Guide*.

**5.3.G.4.b** An Acquirer or Agent that offers Dynamic Currency Conversion must effect a timely resolution of violations of the *Interlink Network, Inc. Operating Regulations*. An Acquirer, Merchant Outlet, Agent that violates the Dynamic Currency Conversion requirements may be subject to the actions and penalties specified in the table below.

**Table 5-1: Dynamic Currency Conversion Actions and Penalties**

Dynamic Currency Conversion Action	Event	Interlink Action or Fine
Registration of Acquirer or Agent	Acquirer fails to register itself or its Agent	Notification of violation with specific date of correction and request for action plan
	Acquirer fails to register within 10 calendar days from date of notification letter on failure to register	\$10,000 fine per month per unregistered Acquirer or Agent

Dynamic Currency Conversion Action	Event	Interlink Action or Fine
	Acquirer fails to register within 30 calendar days from date of notification letter on failure to register	Interlink may: <ul style="list-style-type: none"> <li>Require the Acquirer to stop Dynamic Currency Conversion being offered by the unregistered Agent</li> <li>Prohibit the Acquirer from contracting with any Agent offering Dynamic Currency Conversion</li> </ul>
Registration of Merchant and Merchant Outlet	Acquirer fails to register its Dynamic Currency Conversion-enabled Merchant or Merchant Outlet, as specified in the <i>International Transactions Guide</i>	Notification of violation with specific date of correction and request for action plan
	Acquirer fails to register its Dynamic Currency Conversion-enabled Merchant or Merchant Outlet in the next quarterly registration cycle	\$10,000 fine per quarterly registration cycle per unregistered Merchant or Merchant Outlet
Certification	Acquirer fails to certify itself or its Agent	Notification of violation with specific date of correction and request for action plan
	Acquirer fails to certify within 10 calendar days from date of notification letter on failure to certify	\$10,000 fine per month per uncertified Acquirer or Agent, or per Merchant Outlet using an uncertified Dynamic Currency Conversion solution
	Acquirer fails to certify within 30 calendar days from date of notification letter on failure to certify	Interlink may: <ul style="list-style-type: none"> <li>Require the Acquirer to stop Dynamic Currency Conversion being offered by the uncertified Agent or by the Merchant Outlet using an uncertified Dynamic Currency Conversion solution</li> <li>Prohibit the Acquirer from contracting with any Merchant Outlet or Agent offering Dynamic Currency Conversion</li> </ul>
Merchant Outlet Dynamic Currency Conversion Violations	Merchant Outlet is non-compliant with one or more Dynamic Currency Conversion rules	Notification of violation with specific date of correction and request for action plan
	Acquirer fails to provide action plan for violation resolution within 30 calendar days from date of notification letter on Dynamic Currency Conversion violation	\$10,000 fine per month per non-compliant Merchant Outlet
	Acquirer fails to provide action plan for violation resolution within 60 calendar days from date of notification letter on Dynamic Currency Conversion violation	Interlink may: <ul style="list-style-type: none"> <li>Require the Acquirer to stop Dynamic Currency Conversion being offered by the non-compliant Merchant Outlet</li> <li>Prohibit the Acquirer from contracting with any Merchant Outlet offering Dynamic Currency Conversion</li> </ul>

Dynamic Currency Conversion Action	Event	Interlink Action or Fine
Dynamic Currency Conversion Approval Revocation	Uncorrected Acquirer, Merchant Outlet or Agent Dynamic Currency Conversion violation	<ul style="list-style-type: none"> <li>• Interlink may revoke approval to conduct Dynamic Currency Conversion from the Acquirer or an Acquirer's Merchant Outlet or Agent for:</li> <li>• Repeated or persistent violation of the <i>Interlink Network, Inc. Operating Regulations</i> following notice from Interlink to the Acquirer to remedy any breach and failure to do so within a reasonable time frame</li> <li>• Repeated or persistent Cardholder complaints identified against an Acquirer or an Acquirer's Merchant Outlet or Agent within a 3-month period and the Acquirer failed to comply with the <i>Interlink Network, Inc. Operating Regulations</i> regarding its Merchant Outlet or Agent pertaining to disclosure, Cardholder choice, and fee disclosure</li> <li>• Failure to ensure proper Merchant Outlet staff training and retraining on Dynamic Currency Conversion to ensure compliance</li> <li>• Failure to prevent its Merchant Outlet from deploying a Terminal or other Merchant Outlet procedures that will lead or have led to a violation of the <i>Interlink Network, Inc. Operating Regulations</i></li> </ul>

### 5.3.H Multi-Currency Priced Transactions

In a Multi-Currency Priced Transaction, the displayed price and currency selected by the Cardholder must be the same price and currency charged to the Cardholder, printed on the Transaction Receipt, and entered into Interchange by the Acquirer, as specified in the *International Transactions Guide*.



## 5.4 Paper Audit Tapes/Journals

A Merchant must ensure that a Paper Audit Tape/Journal printed at the Terminal or in a physically unsecure environment displays only the last four-digits of the Account Number. To qualify as a physically secure environment:

- The audit journal must print within a locked location and
- Not be accessible to unauthorized store personnel or other individuals, such as vendor personnel

Any other environment where an audit journal prints is considered unsecure.

## 5.5 Visa Merchant Direct Exchange Merchant

### 5.5.A Support For Installation of Systems

A Visa Merchant Direct Exchange Merchant must provide, without cost to Interlink or Visa, reasonable support requested by Interlink for installing the VisaNet system, including:

- Providing a location that meets the requirements of Interlink for installing one or more VisaNet Access Point(s) on the Visa Merchant Direct Exchange Merchant's premises
- Providing a sufficient number of qualified personnel that the Visa Merchant Direct Exchange Merchant will train to meet Interlink specifications
- Maintaining VisaNet records, documents, and logs required by Interlink and providing them at the request of Interlink
- Providing access to its premises and cooperating with Interlink and its authorized agents in conjunction with the installation, service, repair, or inspection of the VisaNet Access Points
- Notifying Interlink promptly of any failure of a VisaNet Access Point to operate properly on its premises or the premises of its Agent or independent contractor
- Providing computer time and a sufficient number of qualified personnel required to ensure prompt and efficient installation and use of the VisaNet software supplied by Interlink

### 5.5.B Modification Of Interlink-Owned or Visa-Owned Software

A Visa Merchant Direct Exchange Merchant wishing to modify or enhance Interlink-owned or Visa-owned software, either on its own or using an agent, must obtain prior Interlink approval before implementing the modifications on any systems that access VisaNet. If Interlink determines that the proposed modifications pose risks to VisaNet, Interlink will require recertification before permitting VisaNet access.

### **5.5.C VisaNet Access Point Modification**

A Visa Merchant Direct Exchange Merchant must not make or attempt to make any repair, adjustment, alteration, or modification to a VisaNet Access Point, except as expressly authorized by Interlink.

### **5.5.D VisaNet Access Point Security**

A Visa Merchant Direct Exchange Merchant must provide the same level of security for its VisaNet Access Points that it provides to its proprietary systems.

### **5.5.E Proprietary Interest In Visa Systems**

No Visa Merchant Direct Exchange Merchant will have any property or other right, claim, or interest, including any patent right, trade secret right, or copyright interest, in VisaNet, or in any systems, processes, equipment, software, data, or materials that Visa or Interlink or its subsidiaries use with VisaNet, or in connection with a Visa or Interlink program, except for Merchant- or Member- supplied data or equipment.

### **5.5.F Non-Assignable Right To Use VisaNet**

A Visa Merchant Direct Exchange Merchant's right to use VisaNet is not assignable and its duties are non-delegable without prior written consent from Interlink. However, a Visa Merchant Direct Exchange Merchant may use a non-Member Processor that has executed and delivered to Interlink a Letter of Agreement (Exhibit D).

### **5.5.G Restricted Use of VisaNet**

A Visa Merchant Direct Exchange Merchant must restrict its use of the VisaNet systems and services to purposes specifically approved by Interlink.

### **5.5.H Interlink Right to Monitor, Audit, Inspect or Investigate Visa Merchant Direct Exchange Merchant**

Interlink may perform periodic audits, at the sponsoring Acquirer's expense, to ensure that the Acquirer's Visa Merchant Direct Exchange Merchants are complying with:

- *Interlink Network, Inc. Operating Regulations*
- *Interlink Technical Specifications*
- *Visa Merchant Direct Exchange Service Description*

- VisaNet manuals
- Cardholder Information Security Program
- PIN Management Requirements Documents
- Visa PIN Security Program Guide

## 6 Operational Standards

### 6.1 Introduction

This chapter specifies Interlink Member requirements for payment processing.

### 6.2 General Processing Requirements

#### 6.2.A General

An Interlink Member must:

- Be able to receive incoming Interchange data and
- Send outgoing Interchange data through the Single Message Service

When using the Single Message Service for Clearing, an Interlink Member must comply with the appropriate *VisaNet User's Manual*.

#### 6.2.B Contracts

An Interlink Member that designates another Interlink Member or a Non-Member Agent to act as its Processor must have a contract with the Processor, as specified in Chapter 1, "*General Regulations*."

### 6.3 Multiple or Erroneous Data

#### 6.3.A Overview

The procedures in Merchant or Processor Responsibilities apply to Merchants or Processors that process Clearing Records.

#### 6.3.B Merchant or Processor Responsibilities

##### 6.3.B.1 Detection of Multiple or Erroneous Data

**6.3.B.1.a** An Acquirer must ensure that if its Processor or Merchant detects multiple or erroneous data during its end of day balancing, the Merchant must request, through its Acquirer, that the data be corrected.

**6.3.B.1.b** An Acquirer must ensure its Processor or Merchant corrects and sends the file within 2 Business Days following discovery, or notification from Interlink, of the multiple or erroneous data.

**6.3.B.1.c** The Processor or Merchant must ensure that the correction for each erroneous Transaction is submitted individually.

### **6.3.B.2 Adjustments**

**6.3.B.2.a** The Adjustment must reference either a:

- Settled original approved Transaction that was posted multiple times or contained partially or completely erroneous data
- Denied Pre-Authorization completion Transaction for which the Pre-Authorization request was approved (e.g., the Acquirer was not available)

**6.3.B.2.b** If required data is not present and/or is inaccurate, the Adjustment could be subject to Chargeback and/or fines.

**6.3.B.2.c** An Acquirer cannot adjust a Transaction after a Chargeback has been processed.

**6.3.B.2.d** If the Merchant is unable to reference a settled original Transaction, this includes Transactions that timed out or failed to complete but the Merchant has completed the sale, the Merchant through its Acquirer must send a "Good Faith Collection Item," as specified in the *Operations Procedures (Exhibit A)*.

### **6.3.B.3 Notification**

An Acquirer must ensure its Processor or Merchant notifies Interlink staff by e-mail or fax within 2 hours of discovering that multiple or erroneous data was transmitted.

### **6.3.B.4 Fines**

**6.3.B.4.a** If the corrected file is not transmitted within 2 Business Days following discovery, as specified, *Section 6.3.B.1.b*, the Processor or the Acquirer of a Merchant may be assessed a fine, as specified in *Section 1.6.E.1*.

**6.3.B.4.b** If the notification is not immediate, as specified in *Section 6.3.B.3*, the Processor or the Acquirer of a Merchant may be assessed a fine, as specified in *Section 1.6.E.2*.

## 6.5 Message Content Standards

An Acquirer must send accurate information to a VisaNet Interchange Center, as specified in both:

- *Interlink Technical Specifications* and
- Appropriate VisaNet User's Manual

Interlink assesses a fine, as specified in *Section 1.6.E* if both the:

- Merchant Descriptor data sent through the Single Message Service has inaccurate, invalid, or unrecognizable data and
- Inaccurate data is not corrected for 4 consecutive months after the first Notification

## 6.6 Operation of Interlink Switch

The following applies to the operation of the Interlink Switch for Transactions routed through the Interlink Switch.

### 6.6.A Interlink Switch

Interlink Switch will provide Settlement information and services to assist an Interlink Member in settling with:

- Another Interlink Member
- The Interlink Member's sponsored Affiliates
- Its Merchants
- Its Processors

### 6.6.B Message Content Standards

An Acquirer must send accurate information to a VisaNet Interchange Center, as specified in the appropriate *VisaNet User's Manual*.

### 6.6.C Interlink Switch Responsibility

#### 6.6.C.1 Interlink Switch Audit

Interlink will make available to each Interlink Member during normal banking business hours those books and records of the Interlink Switch that are necessary for the purpose of verifying or auditing Transactions handled for that Interlink Member.

### **6.6.C.2 Transmitting Messages**

Interlink Switch is responsible for transmitting each message to a Merchant Interface System operated by an Acquirer so as to produce the response at the Terminal that is originated by the Card Authorization System.

### **6.6.C.3 Interlink Switch Maintenance**

**6.6.C.3.a** The Interlink Network will:

- Contract with Visa U.S.A. or Visa International to operate and maintain the Interlink Switch
- Coordinate and maintain all lines and datasets between:
  - The Merchant Interface System operated by the Acquirer and
  - The Card Authorization System operated by the Issuer

**6.6.C.3.b** An Interlink Member must ensure that all lines and datasets associated with the Merchant Interface System and the Card Authorization System meet all applicable provisions specified in the Interlink Technical Specifications, PIN Management Requirements Documents, and *Visa PIN Security Program Guide*.

### **6.6.C.4 Interlink Switch Log**

**6.6.C.4.a** The Interlink Switch will maintain a daily information record of all Transactions processed through the Interlink Switch, except for PINs.

**6.6.C.4.b** The daily record will be made available to Interlink Members for backup or recovery processing.

### **6.6.C.5 Stand-In Processing**

**6.6.C.5.a** Stand-In Processing procedures apply to online Transactions, Pre-Authorization requests, and completion of previously pre-authorized Transactions if the requests or completions are received by the Interlink Switch when the Card Authorization System is unavailable.

**6.6.C.5.b** Except as specified in *Section 6.6.C.5.a*, if the actual dollar amount received in a completion message is greater than the Stand-In Processing limits but less than or equal to the amount previously pre-authorized, the Interlink Switch will authorize the Transaction on behalf of the Card Authorization System.

**6.6.C.5.c** If a Card Authorization System is unavailable to accept messages, the Interlink Switch will accept Transactions for the Card Authorization System.

## **6.6.D Interlink Switch Availability**

### **6.6.D.1 Availability**

The Interlink Switch is designed to be available 24 hours a day, 7 days a week. Interlink does not guarantee this availability.

### **6.6.D.2 Response Time**

The response time for Transactions processed through the Interlink Switch is designed to meet the minimum performance standards contained in the *Interlink Technical Specifications*. Interlink does not guarantee this response time.



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## 7 Dispute Resolution

### 7.1 Introduction

This chapter governs the Chargeback, Representment, and Arbitration processes. It defines the conditions for each, the associated time limits, and the supporting procedures.

### 7.2 Chargeback and Representment Process

For Chargeback Reason Codes, refer to *Section 7.3*.

#### 7.2.A Overview

##### 7.2.A.1 Chargeback and Representment for a Transaction

A Member must process a Chargeback or Representment for a Transaction in accordance with the VisaNet manuals.

##### 7.2.A.2 Chargeback or Representment Documentation Submission Time Limit

A Member sending Chargeback or Representment documentation must do so within 5 calendar days of the Chargeback or Representment Processing Date through Visa Resolve Online.

##### 7.2.A.3 Non-Automated Submission of Chargeback or Representment Documentation

The Member must not send Chargeback or Representment documentation by mail, fax, or any other non-automated method.

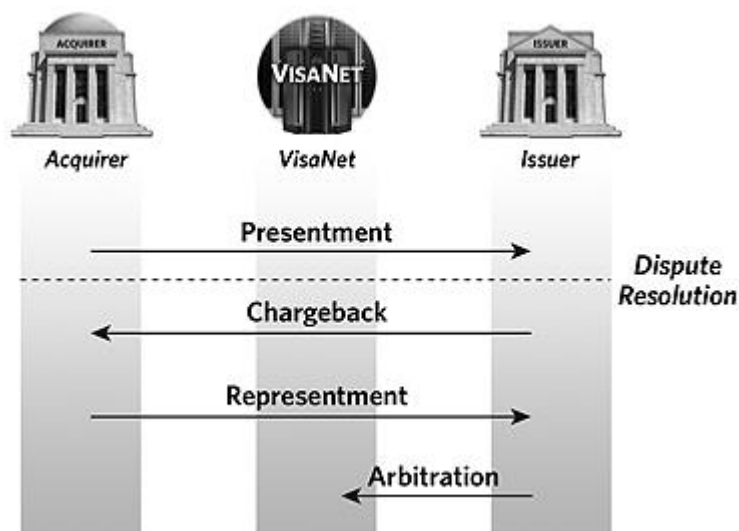
##### 7.2.A.4 Chargeback and Representment Process

**7.2.A.4.a** After receiving a Presentment, an Issuer may charge back a Transaction to the Acquirer under the conditions specified in *Section 7.3*, "Chargebacks by Reason Codes." Similarly, the Acquirer may represent the Transaction to the Issuer.

**7.2.A.4.b** The Issuer must not charge back the Transaction a second time and the Acquirer must not represent the Transaction a second time. *Figure 7-1*, "Chargeback and Representment Process through VisaNet," illustrates this process.

**7.2.A.4.c** The following provisions apply to U.S. Domestic Transactions:

- If requested by the Acquirer, and permitted under applicable laws or regulations, the Issuer should provide the Cardholder's address
- An Acquirer must not process a Transaction as a first Presentment if the Transaction has been previously charged back
- A Transaction is considered to take place within the U.S. Region if it occurs at a U.S. military base or U.S. embassy or consulate outside the U.S. and is both:
  - Deposited with a U.S. Member by the U.S. government
  - Completed with a Card issued by a U.S. Member governed by these operating regulations

**Figure 7-1 Chargeback and Representment Process through VisaNet**

**7.2.A.4.d** A Member may have the right to file for Arbitration after completing the Chargeback/Representment cycle, as specified in Section 7.4, "Arbitration." In some instances, Compliance may be available.

**7.2.B Chargeback****7.2.B.1 Attempt to Settle**

**7.2.B.1.a** Before exercising a Chargeback right, the Issuer must attempt to honor the Transaction.

**7.2.B.1.b** If this fails and the Issuer has already billed the Transaction to the Cardholder, the Issuer must credit the Cardholder for the Chargeback amount.

**7.2.B.1.c** The Issuer must not be reimbursed twice for the same Transaction.

**7.2.B.1.d** A Cardholder must not be credited twice as a result of both a:

- Chargeback
- Credit processed by a Merchant

### **7.2.B.2 Calculation of Chargeback Time Limit**

The Chargeback time limit is calculated from the Transaction Processing Date.

### **7.2.B.3 Start of Chargeback Time Limit**

The Chargeback time limit begins on the calendar day following the Transaction Processing Date.

**Table 7-1: Chargeback Reasons and Time Limits**

<b>Chargeback Reasons</b>	<b>Reason Code</b>	<b>Time Limit (Calendar Days)</b>
Services or Merchandise Not Received	2430	120
Not as Described or Defective Merchandise	2453	120
Counterfeit Transaction	2462	120
Credit Not Processed	2485	120
Duplicate Processing	2496	120
Processing Error	2498	120

### **7.2.B.4 Processing Requirement**

An Issuer must charge back each Transaction separately. The Issuer must not combine Transactions and charge them back as a single Transaction.

### **7.2.B.5 Chargeback Amount**

The Issuer must charge back for either:

- Actual billed amount in the Billing Currency
- Partial Transaction amount equal to the disputed amount

## 7.2.B.6 Documentation

All documentation that must be provided by an Issuer, as required for each Chargeback reason, must be provided in English.

## 7.2.C Representments

An Acquirer may represent a Transaction to the Issuer under the conditions specified in *Section 7.3*.

### 7.2.C.1 Attempt to Resolve

Before exercising a Representment right, the Acquirer must research and attempt to resolve the Chargeback using internal records, which may include records and information from the Merchant.

### 7.2.C.2 Representment Reasons and Conditions

**7.2.C.2.a** An Acquirer may represent a Transaction to the Issuer for one of the reasons listed in *Table 7-2*, within the specified time limits. The Representment time limit is calculated from the Chargeback Processing Date.

**7.2.C.2.b** An Adjustment must not be processed after receipt of a Chargeback. The Acquirer must utilize its Representment rights.

**7.2.C.2.c** All Representments must be processed electronically through VisaNet.

**Table 7-2: Representment Reasons and Time Limits**

Representment Reason <sup>14</sup>	Condition	Time Limit (Calendar Days)
Adjustment Already Issued	An Adjustment has been previously processed by the Acquirer correcting the original Transaction which was charged back.	45
Invalid Chargeback	See each Chargeback listed in Section 7.3.	45
Invalid Account Number		45
Credit Already Issued	A Credit Transaction has been previously processed by the Acquirer correcting the original Transaction which was charged back.	45
Invalid Credit Chargeback	The Acquirer finds no Transaction based on the Transaction Date supplied in the Chargeback message for "Credit Not Processed."	45
Mis-Sorted Chargeback	The Chargeback received by the Acquirer did not belong to that Acquirer.	45

<sup>14</sup> Must be represented using the same Reason Code as the Original Chargeback.

Representment Reason <sup>14</sup>	Condition	Time Limit (Calendar Days)
Required Data Not Received	The Chargeback Clearing Record received by the Acquirer did not contain the required information in the Member Message Field.	45

### 7.2.C.3 Processing Requirements

The Acquirer must return the same Reason Code that was received in the Chargeback Clearing Record.

### 7.2.C.4 Representment Documentation

An Acquirer must provide the Issuer with the following Representment documentation, if required:

- Documentation to remedy the Chargeback
- Completed appropriate Visa Resolve Online Dispute Questionnaire, including the Chargeback reference number, if used
- Translations of any non-English documentation
- When a Member message text is not available, documentation, Acquirer certification, or information on the Visa Resolve Online Dispute Resolution Questionnaire to support a Representment
- For non-fraud related disputes, the Acquirer may also provide documentation or Acquirer certification, in lieu of a Merchant letter, to convey the required information for a Representment right

If applicable, an Acquirer may provide the Issuer with Compelling Evidence, as specified in *Section 7.2.C.5*.

### 7.2.C.5 Use of Compelling Evidence

An Acquirer may submit Compelling Evidence at the time of Representment. Allowable types of Compelling Evidence are listed in the following table and apply only to the Chargeback Reason Codes shown:

**Table 7-3: Types of Compelling Evidence**

Item #	Allowable Compelling Evidence	Applicable Chargeback Reason Code		
		2430	2453	2498
1	<b>Effective for Representments processed through 16 October 2015</b> , evidence, such as photographs or e-mails, to prove a link between the person receiving the merchandise and	X	X	

Item #	Allowable Compelling Evidence	Applicable Chargeback Reason Code		
		2430	2453	2498
	the Cardholder, or to prove that the Cardholder disputing the Transaction is in possession of the merchandise. <b>Effective for Representments processed on or after 17 October 2015</b> , evidence, such as photographs or emails, to prove a link between the person receiving the merchandise or services and the Cardholder, or to prove that the Cardholder disputing the Transaction is in possession of the merchandise and/or is using the merchandise or service.			
2	<b>Effective for Representments processed through 16 October 2015</b> , for Transactions in which merchandise was delivered to a business address, evidence that the merchandise was delivered and that, at the time of delivery, the Cardholder was an employee of the company at that address (e.g., confirmation that the Cardholder was listed in the company directory or had an e-mail address with the company's domain name). A signature is not required as evidence of delivery. <b>Effective for Representments processed on or after 17 October 2015</b> , for a Transaction in which merchandise was delivered to a business address, evidence that the merchandise was delivered and that, at the time of delivery, the Cardholder was working for the company at that address. A signature is not required as evidence of delivery.	X		
3	For passenger transport Transactions, evidence that the services were provided and any of the following: <ul style="list-style-type: none"> <li>• Proof that the ticket was received at the Cardholder's billing address</li> <li>• Evidence that the ticket or boarding pass was scanned at the gate</li> <li>• <b>Effective for Representments processed through 16 October 2015</b>, details of frequent flyer miles claimed, including address and telephone number, that establish a link to the Cardholder</li> <li>• <b>Effective for Representments processed on or after 17 October 2015</b>, details of frequent flyer miles relating to the disputed Transaction that were earned or redeemed, including address and telephone number, that establish a link to the Cardholder</li> <li>• Evidence of any of the following additional Transactions related to the original Transaction: purchase of seat upgrades, payment for extra baggage, or purchases made on board the passenger transport</li> </ul>	X		
4	<b>Effective for Representments processed on or after 17 October 2015</b> , for a T&E Transaction, evidence that the services were provided and either: <ul style="list-style-type: none"> <li>• Details of loyalty program rewards earned and/or redeemed including address and telephone number that establish a link to the Cardholder</li> <li>• Evidence that an additional Transaction or Transactions related to the original Transaction, such as the purchase of T&amp;E service upgrades or subsequent purchases made throughout the T&amp;E service period, were not disputed</li> </ul>	X		
5	<b>Effective for Representments processed on or after 17 October 2015</b> , evidence that the person who signed for the merchandise was authorized to sign for the Cardholder or is known by the Cardholder.	X		
6	For a Dynamic Currency Conversion (DCC) Transaction, both: <ul style="list-style-type: none"> <li>• Evidence that the Cardholder actively chose DCC, such as a copy of the Transaction Receipt showing a checked "accept" box or evidence that the DCC solution requires electronic selection by the Cardholder and choice cannot be made by the Merchant's representative</li> <li>• A statement from the Acquirer confirming that DCC choice was made by the Cardholder</li> </ul>			X

## **7.2.D Transaction Receipt Retention and Fulfillment Requirements**

- A Merchant must comply with the Visa Healthcare Auto-Substantiation Transactions Retrieval of SIGIS Receipt Detail Implementation Guide.
- A Fulfillment must be legible enough for the Cardholder to read or for the Issuer to identify the Account Number.



## 7.3 Chargebacks by Reason Code

The following Chargeback reasons are listed in numerical order, by Reason Code.

### 2430 Services or Merchandise Not Received

#### Time Limit: 120 calendar days

Merchant was unable or unwilling to provide services, or Cardholder or authorized person did not receive the ordered merchandise at the agreed upon location or by the agreed upon date.

### Chargeback – Reason Code 2430

#### Chargeback Conditions – Reason Code 2430

One of the following:

1. Cardholder or authorized person participated in the Transaction and did not receive purchased services because the Merchant was unwilling or unable to provide the services.
2. Cardholder or authorized person participated in the Transaction and did not receive ordered merchandise.

#### Chargeback Rights and Limitations – Reason Code 2430

Any of the following that apply:

1. Chargeback amount is limited to the portion of services or merchandise not received.
2. Prior to exercising the Chargeback right, Cardholder must attempt to resolve the dispute with the Merchant or the Merchant's liquidator, if applicable. (Not applicable if prohibited by applicable laws or regulations.)
3. If date services were expected or delivery date for the goods is not specified, Issuer must wait 15 calendar days from the Transaction Date before exercising the Chargeback right. Does not apply if the waiting period causes Chargeback to exceed Chargeback time frame.
4. For disputes involving merchandise:
  - a. Prior to exercising the Chargeback right, if merchandise was delivered after the agreed upon delivery date, Cardholder must attempt to return the merchandise
  - b. If merchandise was returned due to late delivery, the Issuer must wait at least 10 calendar days from the date the Cardholder returned or attempted to return the merchandise prior to

exercising the Chargeback right. Does not apply if the waiting period causes Chargeback to exceed Chargeback time frame or if the Chargeback was already processed prior to the goods being received.

### **Invalid Chargebacks – Reason Code 2430**

Chargeback is invalid for any of the following:

1. If the Cardholder cancelled merchandise or service prior to the expected delivery or service date
2. If merchandise is being held by the customs agency of the Cardholder's country
3. When the Cardholder states that the Transaction was fraudulent
4. For disputes regarding the quality of merchandise or service rendered
5. For the initial payment of a delayed delivery Transaction when the remaining balance was not paid and Merchant is willing and able to provide services or merchandise
6. For the cash-back portion of a Cash-Back Transaction

### **Chargeback Time Limit - Reason Code 2430**

1. 120 calendar days from Transaction Processing Date.
2. If the service or merchandise was to be provided after the Transaction Processing Date, the 120 calendar-day time frame is calculated from the date that the Cardholder expected to receive the service or merchandise, not to exceed 540 calendar days from the Transaction Central Processing Date.

Member message text for Chargeback:

One of the following message texts in the Member Message Field of the Chargeback Clearing Record, as appropriate:

1. For Chargeback Condition 1:
  - a. NON-RCPT OF SERVICES (specify precisely why the Merchant was unwilling or unable to provide the service and the date of the service). Contact name, phone and fax numbers
2. For Chargeback Condition 2: One of the following:
  - a. NON-RECPT OF MERCHANDISE BY MMDDYY. Contact name, phone and fax numbers
  - b. NON-RECPT MDSE BY AGREED UPON DATE MMDDYY, MDSE RETD ON MMDDYY. Contact name, phone and fax numbers

## **Supporting Documentation to Acquirer – Reason Code 2430**

Visa Resolve Online Dispute Questionnaire or Member message text stating any of the following, as applicable:

1. Services not rendered by expected date
2. Merchandise was not received
3. Expected arrival date of the merchandise
4. Merchandise not received at agreed-upon location (Issuer must specify)
5. Cardholder attempted to resolve with Merchant. (Not applicable if prohibited by applicable laws or regulations.)
6. The Issuer must provide a detailed description of the goods or services purchased. (Not applicable if prohibited by applicable laws or regulations.)

## **Representment – Reason Code 2430**

### **Representment Conditions – Reason Code 2430**

One of the following:

1. Chargeback is improper or invalid or credit was processed.
2. Cardholder or authorized representative received merchandise or services.
3. Merchant did not receive returned merchandise.

### **Representment Rights and Limitations – Reason Code 2430**

Not Applicable

### **Representment Time Limit - Reason Code 2430**

45 calendar days from the Chargeback Processing Date

### **Representment Processing Requirements – Reason Code 2430**

1. One of the following in the Member Message Field as appropriate:
  - a. IMPROPER OR INVALID (specify precisely why the Chargeback is improper or invalid). Contact name, phone and fax numbers
  - b. CRED MMDDYY (specify precisely when the credit was processed). Contact name, phone and fax numbers

- c. CARDHOLDER RECEIVED MERCHANDISE OR SERVICES MMDDYY (specify precisely when the Cardholder or authorized representative received the merchandise or services). Contact name, phone and fax numbers
  - d. MERCHANT DID NOT RECEIVE RETURNED MERCHANDISE. Contact name, phone and fax numbers
2. Acquirer can remedy the Chargeback.
  - a. Member Message Text: None required.
  - b. Documentation: Both:
    - i. Visa Resolve Online Dispute Questionnaire
    - ii. Documentation to prove that Cardholder received services or merchandise was received by Cardholder or authorized person on agreed-upon date or at agreed-upon location
3. Acquirer can provide Compelling Evidence.
  - a. Member Message Text: None required.
  - b. Documentation: Both:
    - i. Visa Resolve Online Dispute Questionnaire or Exhibit 2E-6 Acquirer
    - ii. Compelling Evidence

## **Supporting Documents to Issuer – Reason Code 2430**

If Representment Condition 2:

### **Effective for Representments processed through 16 October 2015**

Visa Resolve Online Dispute Questionnaire

Documentation to prove that the Cardholder or authorized person received services or merchandise on agreed-upon date or at agreed-upon location

### **Effective for Representments processed on or after 17 October 2015**

Visa Resolve Online Dispute Questionnaire and one of the following:

- Documentation to prove that the Cardholder or an authorized person received the merchandise or services at the agreed location or by the agreed date
- For an Airline Transaction, evidence showing that the name is included in the manifest for the departed flight and it matches the name provided on the purchased itinerary

## **Additional Information - Reason Code 2430**

1. Proof of shipping does not constitute proof of receipt.
2. The Merchant is responsible for goods held in a customs agency that is not the Cardholder's country's customs agency

## 2453 Not As Described or Defective Merchandise

### Time Limit: 120 calendar days – Reason Code 2453

The Cardholder received damaged, defective, or counterfeit merchandise or the merchandise or service did not match what was described on the Transaction Receipt or other documentation presented at the time of purchase, or the terms of sale were misrepresented by the Merchant, or the merchandise was otherwise unsuitable for the purpose sold.

## Chargeback – Reason Code 2453

### Chargeback Conditions – Reason Code 2453

1. The Cardholder returned, or attempted to return, merchandise or cancelled services that did not match what was described on the Transaction Receipt or other documentation presented at the time of purchase.
2. The merchandise received by the Cardholder was damaged or defective and the Cardholder attempted to return the merchandise
3. The merchandise was identified as counterfeit by:
  - a. The owner of the intellectual property or its authorized representative
  - b. A customs agency, law enforcement agency or other governmental agency
  - c. A neutral bona fide expert
4. The Cardholder claims that the terms of sale were misrepresented by the Merchant.

### Chargeback Rights and Limitations – Reason Code 2453

1. Chargeback amount is limited to the unused portion of the service or value of the returned merchandise.
2. Chargeback amount must not exceed original Transaction amount.
3. Issuer must wait 10 calendar days from the date the Cardholder returned, or attempted to return the merchandise or cancelled the services, prior to exercising the Chargeback right. Does not apply if the waiting period causes Chargeback to exceed Chargeback time frame.
4. Chargeback is valid if returned merchandise is refused by the Merchant.
5. Cardholder must state that Cardholder attempted to resolve the dispute with the Merchant. (Not applicable if prohibited by applicable laws or regulations.)
6. If goods or services did not match, Chargeback Condition 1, Chargeback may apply to disputes relating to the quality of goods or services received for Transactions where the merchandise or

services did not match the Merchant's written description provided to the Cardholder at the time of the purchase.

7. For Chargeback Condition 1, for a dispute relating to the quality of services received, the requirement to cancel services does not apply if services have already been provided.
8. For Chargeback Condition 3, Cardholder is not required to return the merchandise or attempt to resolve the dispute with the Merchant
9. For Chargeback Condition 3, if the Cardholder was advised by one of the entities listed under Chargeback Condition 3 that the merchandise ordered was counterfeit, the Chargeback may be valid even if the Cardholder has not received the merchandise
10. **Effective for Chargebacks processed through 22 October 2014**, for Chargeback Condition 4, the Chargeback is valid for any of the following:
  - a. Transactions at Merchants that are timeshare resellers, timeshare reseller advertisers, or Merchants that recover timeshare reseller fees<sup>15 16</sup>
  - b. Transactions that contain the following Merchant Category Codes:
    - i. 7012, "Timeshares," excluding Merchants that originate the initial sale of timeshare property or that own the resort or building where the timeshare is located
    - ii. 7277, "Counseling Services-Debt, Marriage, and Personal" excluding Merchants that sell family/personal counseling services
11. **Effective for Chargebacks processed on or after 23 October 2014**, for Condition 4, the Chargeback applies for any of the following:
  - A Transaction at a Merchant that is a timeshare reseller, timeshare reseller advertiser, or a Merchant that recovers timeshare reseller fees<sup>16</sup>
  - Business opportunities where the Merchant suggests an income will be generated or recommends that the Cardholder purchases additional items (such as better sales leads) to generate more income
  - A Transaction where a Merchant advises the Cardholder that they can recover the Cardholder's funds and fails to provide services

## **Invalid Chargebacks - Reason Code 2453**

1. Chargeback is invalid for the cash-back portion of a Cash-Back Transaction.
2. For Chargeback Condition 1, 2 and 4, if returned merchandise is held by any customs agency except the Merchant's country's customs agency.
3. For Chargeback Condition 4, Chargeback is invalid for disputes related solely to the quality of merchandise or services provided.

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<sup>15</sup> This applies only to a Merchants that offers reseller services that are connected to timeshare property it does not own.

<sup>16</sup> This condition is based on the type of merchandise or services sold and not solely on the MCC.

## **Chargeback Time Limit - Reason Code 2453**

One of the following:

1. 120 calendar days from one of the following:
  - a. Transaction Processing Date
  - b. For merchandise or services purchased on or before the Transaction Processing Date, the date Cardholder received the merchandise or services
  - c. For a Delayed Delivery Transaction, 120 calendar days from the Transaction Processing Date of the balance portion of the Transaction
  - d. For Chargeback Condition 3, the date the Cardholder received the merchandise or the date the Cardholder was notified that the merchandise was counterfeit, not to exceed 540 calendar days from the Transaction Processing Date
  - e. For Chargeback Condition 4, the last date that the Cardholder expected to receive the merchandise or services, or the date on which the Cardholder was first made aware that the merchandise or services would not be provided, not to exceed 540 calendar days from the Transaction Processing Date
2. For a U.S. Domestic Transaction, 60 calendar days from receipt date of the first Cardholder notification to the Issuer of the dispute, if there is evidence in the notification of previous negotiations between the Cardholder and the Merchant to resolve the dispute. The negotiations must have occurred within 120 days from the Processing Date.

## **Chargeback Processing Requirements - Reason Code 2453**

Member Message Text:

One of the following as appropriate:

1. For Chargeback Conditions 1 :  
NOT AS DESCRIBED (specify date of receipt and precisely why the merchandise or services received did not match the Merchant's written description). Contact name, phone and fax numbers
2. For Chargeback Condition 2:  
DEFECTIVE MERCHANDISE (specify date of receipt and precisely the damaged merchandise, the defect, or why the merchandise is unsuitable for the purpose sold). Contact name, phone and fax numbers
3. For Chargeback Condition 3:  
COUNTERFEIT MERCHANDISE
4. For Chargeback Condition 4:  
TERMS OF SALE MISREPRESENTED

## **Supporting Documentation to Acquirer – Reason Code 2453**

1. For Chargeback Conditions 1 and 2, Visa Resolve Online Dispute Questionnaire or Member message text stating all of the following, as applicable:
  - a. Date Cardholder returned, or attempted to return, the merchandise, or cancel the service
  - b. Name of shipping company
  - c. Invoice/tracking number (if available)
  - d. Date Merchant received the merchandise
  - e. Cardholder attempted to resolve the dispute with the Merchant. (Not applicable if prohibited by applicable laws or regulations.)
  - f. Explanation of what was not as described or defective
  - g. Date Cardholder received merchandise or services, if Chargeback time frame is calculated from date of receipt
2. For Chargeback Condition 3, Visa Resolve Online Dispute Questionnaire or Member message text stating the following:
  - a. Certification that the Cardholder received notification from one of the entities listed under Chargeback Condition 3 that the merchandise is counterfeit
  - b. Date Cardholder received the merchandise or received notification that the merchandise was counterfeit
  - c. Description of the counterfeit merchandise
  - d. Disposition of the merchandise
  - e. Information about the person or entity that indicated the merchandise to be counterfeit, including the name of the person and/or entity providing the notification, and validation that the person or entity is qualified to provide the notification
3. For Chargeback Condition 4, the Issuer must provide information from the Cardholder describing how the Merchant's verbal and/or written representations do not match the terms of sale to which the Cardholder agreed.

## **Representment – Reason Code 2453**

### **Representment Conditions – Reason Code 2453**

One of the following:

1. Chargeback is improper or invalid or credit was processed.
2. Merchant did not receive returned merchandise.



3. Merchandise was as described or was not defective.
4. Merchant can show that the merchandise was not counterfeit
5. Merchant did not misrepresent the terms of sale.

### **Representment Rights and Limitations – Reason Code 2453**

Not Applicable

### **Representment Time Limit - Reason Code 2453**

45 calendar days from Chargeback Processing Date

### **Representment Processing Requirements - Reason Code 2453**

1. One of the following in the Member Message Field of the Representment, as appropriate:
  - a. For Representment Condition 1, one as applicable:
    - i. IMPROPER OR INVALID (specify precisely why the Chargeback is improper or invalid), Contact name, phone and fax numbers
    - ii. CRED MMDDYY. Contact name, phone and fax numbers
  - b. For Representment Condition 2:
    - i. MERCHANT DID NOT RECEIVE RETURNED MERCHANDISE. Contact name, phone and fax numbers
  - c. For Representment Condition 3, one of the following as applicable:
    - i. MDSE AS DESCRIBED (specify precisely the reason that the merchandise was as described). Contact name, phone and fax numbers
    - ii. MDSE NOT DEFECTIVE (specify precisely the reason why the Merchant believes the merchandise was not defective or damaged). Contact name, phone and fax numbers
2. Acquirer can remedy the Chargeback.
  - a. Member Message Text: None required
  - b. Documentation: Visa Resolve Online Dispute Questionnaire and the following as applicable:
    - i. Documents to prove that the service or merchandise was correctly described or the merchandise was not defective
    - ii. For Chargeback Condition 3, documents to support the Merchant's claim that the merchandise was not counterfeit
    - iii. For Chargeback Condition 4, documents to prove that the terms of sale of the merchandise or services were not misrepresented
3. Acquirer can provide Compelling Evidence.

- a. Member Message Text: None required.
- b. Documentation: Both:
  - i. Visa Resolve Online Dispute Questionnaire or Exhibit 2E-6 Acquirer
  - ii. Compelling Evidence

### **Additional Information - Reason Code 2453**

1. Issuer may provide a copy of the Transaction Receipt or other documentation containing a written description of the merchandise or services purchased, if available.
2. Proof of shipping does not constitute proof of receipt.
3. For Chargeback Conditions 1, 2 and 3, Merchant is responsible for goods held within its own country's customs agency.
4. For Chargeback Conditions 1 and 2, a neutral third-party opinion is not required, but is recommended, to help the Member support its claim.
5. Issuer may be required to provide proof of shipping of returned merchandise.
6. For Chargeback Condition 3, the Issuer may be required to provide a copy of the notification obtained by the Cardholder identifying the merchandise as counterfeit.
7. For Chargeback Condition 3, unless the Acquirer's Representment successfully remedies the Chargeback, Interlink recommends that the Issuer send an e-mail message to [inquiries@visa.com](mailto:inquiries@visa.com) to report the Cardholder's claim of counterfeit merchandise.
8. For Chargeback Condition 4, the Merchant is responsible for goods held in any customs agency.
9. For Chargeback Condition 4, the Issuer may be required to provide evidence that the Merchant's documentation, verbal and/or written communications, advertising, or business practices contributed to the dispute and that the dispute does not relate solely to the quality of the merchandise or service.
10. For Chargeback Condition 4, the Acquirer may be required to provide evidence that a written agreement with the Cardholder does not materially misrepresent the terms of sale agreed with the Cardholder.

## 2462 Counterfeit Transaction

### Time Limit: 120 calendar days – Reason Code 2462

A Counterfeit Card was used for a Magnetic-Stripe or Chip-initiated Transaction that received Authorization but the Authorization request did not include the required data, or contained altered data.

## Chargeback – Reason Code 2462

### Chargeback Conditions – Reason Code 2462

1. All of the following:
  - a. Cardholder denies authorizing or participating in the disputed Transaction
  - b. One of the following:
    - i. Card Verification Value (CVV) was encoded on the Magnetic Stripe of the Card
    - ii. Integrated Circuit Card Verification Value (iCVV) was on the Magnetic-Stripe Data of the Chip of the Card
    - iii. Dynamic Card Verification Value (dCVV) is able to be produced by the Chip of the Card
  - c. Authorization was obtained without transmission of the entire unaltered data on track 1 or 2
  - d. Issuer reported Transaction as counterfeit Fraud Activity through VisaNet
2. **Effective 1 October 2015**, Cardholder denies authorizing or participating in the disputed Transaction and both:
  - a. Card is a Contact Chip Card
  - b. Card-Present Transaction did not take place at a Chip-Reading Device and was not a Fallback Transaction completed following correct acceptance procedures specified in the *Interlink Network, Inc. Operating Regulations*

### Chargeback Rights and Limitations – Reason Code 2462

1. For Chargeback Condition 1:
  - a. Chargeback is invalid if any of the following:
    - i. Either:
      - The POS Entry Mode code value in the Authorization message is "05," "07," "90," or "91"
      - All data elements that create the EMV Online Card Authentication Cryptogram are contained in the Authorization message

- ii. The Issuer was not a Card Verification Value program participant at the time the Transaction occurred
  - iii. Transaction is Chip-initiated and offline-authorized
- 2. **Effective 1 October 2015**, for Chargeback Condition 2:
  - a. Chargeback is invalid if one of the following:
    - i. Transaction is a Chip-initiated Transaction
    - ii. The Authorization record contains a POS Entry Mode code value of "90" and the Service Code does not indicate the presence of a Chip
    - iii. CVV verification was not performed or the Authorization record indicates that the CVV failed verification
- 3. Issuer must close the Cardholder account
- 4. For Chargeback Conditions 1 , Account Number must be listed on the Exception File with a "pick up" response for a minimum of X calendar days
- 5. **Effective for Chargebacks processed on or after 1 October 2015**, for Chargeback Condition 2, Account Number must be listed on the Exception File with a "pick up" response for a minimum of X calendar days
- 6. Transaction must be reported as fraud through VisaNet using Fraud Type Code 4, "Issuer-Reported Counterfeit"

## **Chargeback Processing Requirements – Reason Code 2462**

Chargeback Time Limit: 120 calendar days from the Transaction Date

Member Message Text:

- 1. Issuer must certify in the Member Message Field of the Chargeback Clearing Record the following, as applicable:
  - a. For Chargeback Conditions 1 :
    - i. CH DISP, CVV ENCODED, FRD RPT, ISS CVS PARTICIPANT  
Contact name, phone and fax numbers
  - b. **Effective 1 October 2015**, for Chargeback Condition 2:
    - i. EMV CARD, NON EMV DEVICE

## **Supporting Documentation to Acquirer – Reason Code 2462**

None

## **Representment – Reason Code 2462**

### **Representment Conditions – Reason Code 2462**

One of the following:

1. Credit or Reversal was processed
2. Chargeback is improper or invalid

### **Representment Rights and Limitations – Reason Code 2462**

1. The Acquirer must have been certified as a Card Verification Value program participant at the time of the Transaction.
2. For a Representment due to an Issuer failing to meet the requirements specified in Chargeback Rights and Limitations 3, 4, 5, or 6, the Acquirer must provide information/documentation to support this claim such as evidence indicating Card Account Number was not listed on the Exception File or account was not closed or Transaction was not reported as fraud.

### **Representment Time Limit – Reason Code 2462**

45 calendar days from the Chargeback Processing Date.

### **Representment Processing Requirements – Reason Code 2462**

1. Member message text for Representment. One of the following in the Member Message Field as appropriate:
  - a. For Representment Condition 1, either that applies:
    - i. CRED MMDDYY. Contact name, phone and fax numbers
    - ii. REVERSAL MMDDYY. Contact name, phone and fax numbers
  - b. For Representment Condition 2:
    - i. INVALID (specify reason). Contact name, phone and fax numbers

## **Supporting Documents to Issuer – Reason Code 2462**

The Acquirer must provide information/documentation to support a Representment due to the Issuer failing to:

1. Close the Cardholder Account
2. List the Account Number on the Exception File with a “Pick up Card” response
3. Report the Transaction to Visa as fraud

## **2485 Credit Not Processed**

### **Time Limit: 120 calendar days**

The Merchant issued a Credit Transaction receipt but a Credit Transaction was not processed or the Cardholder returned merchandise or cancelled merchandise or services and the Merchant did not issue a Credit Transaction receipt.

## **Chargeback – Reason Code 2485**

### **Chargeback Conditions – Reason Code 2485**

One of the following:

1. Cardholder received a Credit or voided Transaction Receipt that was not processed.
2. All of the following:
  - a. Cardholder returned merchandise, cancelled merchandise, or cancelled services
  - b. Merchant did not issue or process a Credit Transaction Receipt
3. All of the following:
  - a. Cardholder cancelled a Timeshare Transaction
  - b. Cancellation was within 14 calendar days from the contract date or receipt date of the contract or related documents
  - c. Merchant did not issue a Credit Transaction Receipt

### **Chargeback Rights and Limitations – Reason Code 2485**

1. For Condition 1, Issuer must wait 10 calendar days from date on the Credit Transaction Receipt before initiating a Chargeback.
2. For Chargeback Condition 2, any of the following:

- a. For a dispute involving returned merchandise, Chargeback amount is limited to the unused portion of the returned merchandise
  - b. Chargeback is valid if returned merchandise is refused by the Merchant
  - c. Issuer must wait 15 calendar days from the date the merchandise was returned prior to exercising the Chargeback right. Does not apply if waiting period causes Chargeback to exceed Chargeback time frame.
3. For Chargeback Condition 3, Chargeback is valid for a Timeshare Transaction not processed with the correct Merchant Category Code.
4. If the Credit Transaction Receipt is undated, the 10-calendar-day waiting period does not apply.
5. Chargeback is valid if a "void" or "cancelled" notation appears on the Transaction Receipt.
6. Issuer must determine that the Cardholder attempted to resolve the dispute with the Merchant. (Not applicable if prohibited by applicable laws or regulations.)

### **Invalid Chargebacks – Reason Code 2485**

1. Chargeback is invalid for disputes regarding the quality of the service rendered or the quality of merchandise.
2. For Chargeback Condition 2, if returned merchandise is held by any customs agency except the Merchant's country's customs agency.

### **Chargeback Time Limits – Reason Code 2485**

The 120 calendar-day Chargeback time limit is calculated from one of the following dates as applicable:

1. For Chargeback Condition 1, any of the following:
  - a. Date on the Credit Transaction Receipt
  - b. Date of the Cardholder letter, if Credit Transaction Receipt is undated
  - c. Date the Issuer received the Cardholder letter, if both the Credit Transaction Receipt and Cardholder letter are undated
2. For Chargeback Condition 2, date the merchandise was received or the expected date to receive services

### **Chargeback Processing Requirements – Reason Code 2485**

Member message text for Chargeback:

1. One of the following in the Member Message Field of the Chargeback Clearing Record as appropriate:

- a. For Chargeback Condition 1:
  - i. CREDIT DATED MMDDYY NOT PROCESSED. Contact name, phone and fax numbers
- b. For Chargeback Condition 2, one of the following:
  - i. ATTEMPTED RETURNED MERCH MMDDYY. Contact name, phone and fax numbers
  - ii. CANC MERCH MMDDYY. Contact name, phone and fax numbers
  - iii. CANC SERVICES MMDDYY. Contact name, phone and fax numbers

## **Supporting Documents to Acquirer – Reason Code 2485**

Visa Resolve Online Dispute Questionnaire or Member message text stating all of the following:

- 1. Date merchandise was cancelled or returned or service cancelled
- 2. Name of shipping company, if applicable
- 3. Invoice/tracking number, if available
- 4. Date Merchant received merchandise, if available
- 5. Cardholder attempted to resolve the dispute with the Merchant

## **Representment – Reason Code 2485**

### **Representment Conditions – Reason Code 2485**

One of the following:

- 1. A Credit Transaction or Adjustment was already processed by the Acquirer.
- 2. Chargeback is improper or invalid.
- 3. Required information was not included in the Member Message Field.

### **Representment Rights and Limitations – Reason Code 2485**

Not Applicable

### **Representment Time Limit – Reason Code 2485**

45 calendar days from the Chargeback Processing Date



## **Representment Processing Requirements – Reason Code 2485**

Member message text for Representment:

1. One of the following in the Member Message Field of the Representment as appropriate:
  - a. For Representment Condition 1, one of the following:
    - i. CREDIT MMDDYY. Contact name, phone and fax numbers
    - ii. ADJ DATED MMDDYY. Contact name, phone and fax numbers
  - b. For Representment Condition 2:
    - i. INVALID (specify reason). Contact name, phone and fax numbers
  - c. For Representment Condition 3:
    - i. REQUIRED INFO NOT SUPPLIED. Contact name, phone and fax numbers

## **Supporting Documents to Issuer – Reason Code 2485**

None

## **Additional Information - Reason Code 2485**

1. If merchandise was shipped prior to cancellation the Cardholder must return the merchandise, if received.
2. For Chargeback Condition 1, any of the following:
  - a. Refund acknowledgments and credit letters do not qualify as Credit Transaction Receipts unless they contain all required data.
  - b. A lost ticket application or refund application is not considered a Credit Transaction Receipt
  - c. An Issuer must not initiate a Chargeback regarding Value-Added Tax (VAT) unless the Cardholder provides a Credit Transaction Receipt
3. For Chargeback Condition 2, any of the following:
  - a. Proof of shipping does not constitute proof of receipt
  - b. Merchant is responsible for goods held within its own country's customs agency

## **2496 Duplicate Processing**

### **Time Limit: 120 calendar days**

A single Transaction was processed more than once.

## **Chargeback – Reason Code 2496**

### **Chargeback Conditions – Reason Code 2496**

A single Transaction was processed more than once.

### **Chargeback Rights and Limitations – Reason Code 2496**

1. Chargeback is invalid for Adjustments.
2. If two Acquirers processed the same Transaction, second Acquirer is responsible for the Chargeback.

### **Chargeback Time Limit – Reason Code 2496**

120 calendar days from the posting date of the second Transaction

### **Chargeback Processing Requirements – Reason Code 2496**

Member message text for Chargeback:

1. The following in the Member Message Field of the Chargeback Clearing Record:
  - a. FIRST TRAN DATE MMDDYY, TRACE NUMBER XXXXXX, GMT YYYY-MM-DD HH:MM:SS. Contact name, phone and fax numbers

### **Supporting Documentation to Acquirer – Reason Code 2496**

None

## **Representment – Reason Code 2496**

### **Representment Conditions – Reason Code 2496**

One of the following:

1. An Adjustment, credit or Reversal was already processed by the Acquirer.
2. Chargeback was improper or invalid.
3. Required information was not included in the Member Message Field.
4. Two separate Transactions were processed.

### **Representment Rights and Limitations – Reason Code 2496**

Not Applicable

### **Representment Time Limit – Reason Code 2496**

Representment Time Limit:

45 calendar days from the Chargeback Processing Date

### **Representment Processing Requirements – Reason Code 2496**

1. Member message text for Representment: One of the following in the Member Message Field of the Representment as appropriate:
  - a. For Representment Condition 1, one of the following as applicable:
    - i. CREDIT PROCESS DATE MMDDYY, TRACE NUMBER XXXXXX. Contact name, phone and fax numbers
    - ii. TRAN REVERSAL DATE MMDDYY, TRACE NUMBER XXXXXX. Contact name, phone and fax numbers
    - iii. ADJ PROCESSED DATE MMDDYY, TRACE NUMBER XXXXXX. Contact name, phone and fax numbers
  - b. For Representment Condition 2:
    - i. INVALID (specify reason). Contact name, phone and fax numbers
  - c. For Representment Condition 3:
    - i. INFO NOT SUPPLIED. Contact name, phone and fax numbers
  - d. For Representment Condition 4:
    - i. TWO SEPARATE TRANS. Contact name, phone and fax numbers

## **Supporting Documentation to Issuer – Reason Code 2496**

Documentation:

For Representment Condition 4, two separate Transaction Receipts or other record to prove separate Transactions were processed

### **Additional Information - Reason Code 2496**

1. For a Representment Condition 4, if two separate Transaction Receipts or other record to prove separate Transactions were processed are not provided, evidence should be proof that the Transactions were not for the same service or merchandise.
2. Chargeback is available if Transaction amounts or dates are different.

## 2498 Processing Error

### Time Limit: 120 calendar days

One of the following:

1. An Acquirer processed a Transaction using an incorrect Transaction amount
2. Transaction was paid by an alternate means and also posted to the Cardholder's account
3. Acquirer did not process the Transaction within the required time period
4. Proper Dynamic Currency Conversion procedures were not followed
5. An Adjustment was not processed correctly as described below
6. An Acquirer processed a Transaction using an incorrect Transaction code

## Chargeback – Reason Code 2498

### Chargeback Conditions – Reason Code 2498

1. Acquirer processed an incorrect Transaction amount.
2. Cardholder's Transaction Receipt, or other record, contains an addition or transposition error.
3. Cardholder paid for a Transaction by an alternate means.
4. Transaction was processed more than 10 calendar days from the Transaction Date.
5. Transaction was processed with an Authorization obtained from invalid or incorrect data elements.
6. One of the following:
  - a. Adjustment contains invalid data such as:
    - i. Incorrect Account Number
    - ii. Non-matching Account Number
  - b. Adjustment posted to a "closed" or "non-sufficient funds" Account and Adjustment was processed more than 10 days from the Transaction Date.
  - c. Adjustment processed more than 45 days from the Transaction Date.
  - d. Adjustment was processed more than once on the same Transaction.
  - e. Cardholder disputes the validity of an Adjustment due to amount of the Adjustment, or original Transaction was canceled and reversed.
7. Dynamic Currency Conversion occurred and the Cardholder did not agree to Dynamic Currency Conversion and did not make an active choice.

8. Transaction was processed using an incorrect Transaction code

### **Chargeback Rights and Limitations – Reason Code 2498**

1. Chargeback is limited to disputed amount.
2. For Chargeback Condition 1, Chargeback is invalid for Chip-initiated Transactions containing a valid Cryptogram.
3. For Chargeback Conditions 1 and 2, Issuer must retain Cardholder supporting documents containing the processing error.
4. For Condition 3, prior to Chargeback, Cardholder made attempt to resolve with Merchant. (Not applicable if prohibited by applicable laws or regulations.)
5. Chargeback is invalid for cash-back portion of Cash-Back Transaction, except under Chargeback Condition 5 (invalid or incorrect data).
6. Authorization is invalid if Merchant used invalid or incorrect authorization data elements, as specified in the VisaNet manuals, and Issuer would not have approved the Transaction if correct data was transmitted.
7. For Chargeback Condition 5, Authorization is invalid for Fallback Transactions where the appropriate values identifying the Transaction as a Fallback Transaction are not included in the Authorization message. Appropriate values to indicate a Fallback Transaction include, but are not limited to, the following:
  - a. VIP Field 22 - POS Entry Mode values "01," "02," or "90"
  - b. VIP Field 60, Position 2 - Terminal Entry Capability value 5
  - c. Where VIP Field 22 value = "02" or "90," Field 35 - Service Code, digit 1 = "2" or "6"
  - d. Where VIP Field 22 value = "01," Field 25 - POS Condition Code value "00" or "03"
8. For Chargeback Condition 6, Chargeback is invalid for purchase Transactions.
9. For Chargeback condition 6e, Issuer must retain Cardholder documentation supporting that the Adjustment was incorrect.
10. For Chargeback Condition Code 7, Chargeback is valid for the entire Transaction amount.
11. For Chargeback Condition 8, for a Transaction processed with an incorrect Transaction code, Chargeback amount is double the Transaction amount when either:
  - a. Credit was processed as a debit
  - b. Debit was processed as a credit

### **Chargeback Time Limit – Reason Code 2498**

120 calendar days from the Transaction posting date

**Chargeback Processing Requirements – Reason Code 2498**

Member message text for the Chargeback:

1. One of the following in the Member Message Field of the Chargeback Clearing Record as applicable:
  - a. For Chargeback Condition 1 or 2:
    - i. TRANS AMT \$XXXX NOT \$XXXX. Contact name, phone and fax numbers
  - b. For Chargeback Condition 3:
    - i. PAID BY OTHER MEANS. Contact name, phone and fax numbers
  - c. For Chargeback Condition 4:
    - i. TRAN MORE THAN 10 DAYS LATE. Contact name, phone and fax numbers
  - d. For Chargeback Condition 5:
    - i. AUTH OBTAINED WITH INVALID DATA. Contact name, phone and fax numbers
  - e. For Chargeback Condition 6a, one of the following:
    - i. INCORRECT ACCT NO. Contact name, phone, and fax numbers
    - ii. NON-MATCHING ACCT NO. Contact name, phone and fax numbers
    - iii. INVALID (specify reason). Contact name, phone and fax numbers
  - f. For Chargeback Condition 6b, one of the following:
    - i. ACCT CLOSED. Contact name, phone and fax numbers
    - ii. NSF. Contact name, phone and fax numbers
  - g. For Chargeback Condition 6c:
    - i. ADJ PROCESSED PAST 45 DAYS. Contact name, phone and fax numbers
  - h. For Chargeback Condition 6d:
    - i. FIRST ADJ DATED MMDDYY. Contact name, phone and fax numbers
  - i. For Chargeback Condition 6e, one of the following:
    - i. ADJ AMT \$XXXX NOT \$XXXX. Contact name, phone and fax numbers
    - ii. ORIG TRANS CNCLD OR REVERSED. Contact name, phone and fax numbers
  - j. For Chargeback Condition 7
    - i. DCC – CARDHOLDER DID NOT AGREE TO DCC
    - ii. DCC - CARDHOLDER DID NOT MAKE ACTIVE CHOICE
  - k. For Chargeback Condition 8:
    - i. CREDIT POSTED AS DEBIT
    - ii. DEBIT POSTED AS CREDIT

## **Supporting Documentation to Acquirer – Reason Code 2498**

1. If the Chargeback is for payment by other means (cash, check, or credit card), the Issuer must provide to the Acquirer documentation proving alternative payment method within 5 calendar days of the Chargeback processing date
2. For Chargeback Condition 5, the Issuer must provide:
  - a. Certification that the Authorization request would have been declined if valid data had been provided
  - b. An explanation of why the inclusion of valid data would have caused the Authorization request to be declined

## **Representment – Reason Code 2498**

### **Representment Conditions – Reason Code 2498**

One of the following:

1. An Adjustment, credit or Reversal was already processed by the Acquirer
2. Chargeback is improper or invalid
3. Either:
  - a. Required information was not included in the Member Message Field
  - b. Acquirer did not receive required documentation during the allowed time limit
4. Transaction amount correctly processed
5. Merchandise or services were not paid by alternate means
6. Acquirer correctly transmitted Account Number in Adjustment
7. Adjustment processed within required time limit
8. Transaction code was correct

### **Representment Rights and Limitations – Reason Code 2498**

For a valid Chargeback using Chargeback Condition 8:

- a. The Acquirer may present Compelling Evidence that the Cardholder actively chose Dynamic Currency Conversion and may represent the Transaction in the Transaction Currency (after Dynamic Currency Conversion occurred), including any fees or commission charges
- b. In all other cases, the Acquirer may represent the Transaction in the Merchant's local currency for the Transaction Amount prior to Dynamic Currency Conversion, excluding fees or



commission charges directly related to Dynamic Currency Conversion that were applied to the Transaction.

### **Representment Time Limit – Reason Code 2498**

45 calendar days from the Chargeback Processing Date

### **Representment Processing Requirements – Reason Code 2498**

Member message text for Representment:

1. One of the following in the Member Message Field of the Representment:
  - a. If Representment Condition 1, one of the following:
    - i. ADJ DATED MMDDYY, AMOUNT \$XXXX, TRACE NUMBER XXXXXX.  
Contact name, phone and fax numbers
    - ii. CREDIT DATED MMDDYY. Contact name, phone and fax numbers
  - b. If Representment Condition 2 or 5: INVALID (specify reason). Contact name, phone and fax numbers
  - c. If Representment Condition 3, one of the following:
    - i. REQUIRED INFO NOT RECEIVED. Contact name, phone and fax numbers
    - ii. REQUIRED DOCUMENTS NOT RECEIVED. Contact name, phone and fax numbers
  - d. If Representment Condition 4:
    - i. NO ERROR IN AMOUNT. Contact name, phone and fax numbers
  - e. If Representment Condition 6:
    - i. ACQR CERTS ADJ CORRECT. Contact name, phone and fax numbers
  - f. If Representment Condition 7:
    - i. ORIG TRAN DATE MMDDYY, TRACE NUMBER XXXXXX. Contact name, phone and fax numbers
  - g. For a Representment in the Dynamic Currency Conversion currency, the Acquirer can provide Compelling Evidence.
    - i. Member Message Text: None required.
    - ii. Documentation:
      - Visa Resolve Online Dispute Questionnaire or Exhibit 2E-6 Acquirer
      - Compelling Evidence showing proof of Cardholder choice, such as a screen shot of a PIN pad that requires Cardholder active choice for Dynamic Currency Conversion to occur
      - Acquirer certification confirming that Dynamic Currency Conversion was chosen by the Cardholder and not by the Merchant

A copy of the Dynamic Currency Conversion Transaction Receipt

- h. For a Representment in the local currency:
  - i. Member Message Text: None required
  - ii. Documentation: a copy of the Dynamic Currency Conversion Transaction Receipt

### **Supporting Documents to Issuer – Reason Code 2498**

For Chargeback Condition 7 for a Representment in the Dynamic Currency Conversion currency, the Acquirer can provide Compelling Evidence.

- 1. Member Message Text: None required
- 2. Documentation
  - Visa Resolve Online Dispute Questionnaire or Exhibit 2E-6 Acquirer
  - Compelling Evidence showing proof of Cardholder choice, such as a screen shot of a PIN pad that requires Cardholder active choice for Dynamic Currency Conversion to occur
  - Acquirer certification confirming that Dynamic Currency Conversion was chosen by the Cardholder and not by the Merchant
  - A copy of the Dynamic Currency Conversion Transaction Receipt

For Chargeback Condition 7 for a Representment in the local currency:

- 1. Member Message Text.: None required.
- 2. Documentation: a copy of the Dynamic Currency Conversion Transaction Receipt

### **Additional Information – Reason Code 2498**

For Chargeback Condition 7:

- 1. Transaction Currency appearing on the Transaction Receipt must be the currency approved by the Cardholder.
- 2. If Dynamic Currency Conversion is not approved at the Point-of-Transaction, the Transaction Currency must be in the Merchant's local currency.
- 3. The Acquirer may process the Transaction as a first Presentment instead of representing.

## 7.4 Arbitration

### 7.4.A Arbitration Description

Arbitration allows Visa to assign liability for a disputed Transaction when the Chargeback and Representment process fails to resolve the dispute.

If an Issuer disputes a Representment from an Acquirer, the Issuer may file for Arbitration with Visa.

In Arbitration, Visa decides which party is responsible for the disputed Transaction. The decision by Visa is final, except for any right of appeal permitted, and must be accepted by both the Issuer and Acquirer. During Arbitration, the Arbitration and Compliance Committee reviews all documentation/information submitted by both Members to determine who has final liability for the Transaction. The filing Member is liable for any difference due to currency fluctuation between the amount originally presented and the Chargeback or Representment amount.

### 7.4.B Arbitration Filing Conditions

**Effective through 11 January 2015**, before filing for Arbitration, the requesting Member must make a pre-Arbitration attempt if either:

- New documentation or information is being provided to the opposing Member about the dispute
- The Acquirer represented with Compelling Evidence. The Issuer must certify in its pre-Arbitration attempt that it attempted to contact the Cardholder to review the Compelling Evidence.
- The Issuer changes the Reason Code for the dispute after the Representment was processed
- The Acquirer provided evidence that the Cardholder no longer disputes the Transaction. The Issuer must certify in its pre-Arbitration attempt that the Cardholder still disputes the Transaction.

**Effective 12 January 2015**, before filing for Arbitration, a Member must make a pre-Arbitration attempt for any of the conditions specified as follows:

**Table 7-4: Pre-Arbitration Conditions and Certification Requirements**

Pre-Arbitration Condition	Certification Requirement
New documentation or information is being provided to the opposing Member about the dispute.	Not applicable

Pre-Arbitration Condition	Certification Requirement
The Acquirer represented with Compelling Evidence.	<p><b>Effective for Representments processed through 16 October 2015</b>, the Issuer must certify in its pre-Arbitration attempt that it attempted to contact the Cardholder to review the Compelling Evidence.</p> <p><b>Effective for Representments processed on or after 17 October 2015</b>, the Issuer is required to both:</p> <ul style="list-style-type: none"> <li>• Certify that it has contacted the Cardholder to review the Compelling Evidence</li> <li>• Provide an explanation of why the Cardholder continues to dispute the Transaction</li> </ul>
The Issuer changes the reason code for the dispute after the Representment was processed.	Not applicable
The Acquirer provided evidence that the Cardholder no longer disputes the Transaction.	The Issuer must certify that the Cardholder still disputes the Transaction.

## 7.4.C Pre-Arbitration

### 7.4.C.1 Pre-Arbitration Attempt Using Visa Resolve Online

The pre-Arbitration attempt must be initiated using Visa Resolve Online, at least 30 calendar days prior to the Arbitration filing date.

If an Issuer is not required to send a pre-Arbitration notification to the Acquirer, but elects to do so, the Issuer must still provide the Acquirer with 30 calendar days for a response and the notification must include the field information.

### 7.4.C.2 Accepting Financial Liability for Pre-Arbitration

If the opposing Member accepts financial responsibility for the disputed Transaction, it must:

- Process the pre-Arbitration acceptance through Visa Resolve Online
- Credit the requesting Member for the last amount received by the requesting Member through VisaNet within 30 calendar days of the pre-Arbitration attempt date.

### **7.4.C.3 Not Accepting Financial Liability for Pre-Arbitration**

If the opposing Member does not accept financial responsibility for the disputed Transaction, the requesting Member may pursue Arbitration.

### **7.4.D. Filing for Arbitration**

#### **7.4.D.1 Arbitration Filing Reasons**

The conditions under which a Member may file for Arbitration include, but are not limited to:

- Required documentation to support the Representment was incomplete or not transmitted within five calendar days of the Representment Processing Date
- Acquirer improperly represented a Chargeback
- Issuer processed a prohibited second Chargeback following any Representment
- Acquirer processed a prohibited second Representment
- Acquirer Reference Number/Tracing Data or Account Number did not match the original data in the first Presentment or Chargeback record

The conditions under which a Member may be held liable for a disputed Transaction include, but are not limited to:

- A Chargeback or Representment was initiated past the time frame allowed
- Required supporting documentation/information was not sent to the opposing Member
- Member was not able to demonstrate to Visa that its case was reasonable

When a Cardholder disputes the Transaction for several issues, the Merchant's rebuttal should address all issues. The Issuer may present the Merchant's rebuttal to the Cardholder so that the Cardholder can address any issues raised by the Merchant.

Any documentation/information supplied at Arbitration that has not been previously submitted to the opposing Member at the pre-Arbitration stage will not be considered or reviewed by the Arbitration and Compliance Committee.

#### **7.4.D.2 Arbitration Filing Time Limit**

The requesting Member must file its Arbitration request with Visa within one of the following:

- 30 calendar days of the Processing Date of the last Chargeback or Representment, if pre-Arbitration was not initiated
- For disputes involving pre-Arbitration, 60 calendar days of the Processing Date of the last Chargeback or Representment. The 60 calendar-day period includes the 30 calendar-day pre-Arbitration waiting period

The Processing Date is not counted as one day.

#### **7.4.D.3 Required Documentation for Arbitration**

When seeking Arbitration, the requesting Member must provide all of the following, in English:

- Information required in Visa Resolve Online Dispute Questionnaire or "Interlink Network Summary of Arbitration Documentation" (Exhibit I-2) for each Transaction
- Information required in Visa Resolve Online Dispute Questionnaire or Pre-Arbitration Attempt
- Information required in Visa Resolve Online Dispute Questionnaire or Dispute Resolution Form, as applicable
- For non-English documents, translations (unless the requesting Member did not receive the previously submitted documents in English)
- Any supporting documentation to ensure a fair decision, such as Authorization records, registers, Merchant documents, and Member files

Additional information or documentation not previously provided to the opposing Member must not be included in the case filing, unless specifically requested by the Arbitration and Compliance Committee.

#### **7.4.D.4 Arbitration Filing Fee Collection**

Visa collects a filing fee through the Global Member Billing Solution for requests submitted to Visa.

#### **7.4.D.5 Arbitration Notification**

The Member must send the Arbitration documentation for Arbitration cases electronically, using Visa Resolve Online.

#### **7.4.D.6 Visa Arbitration Case Rejection**

If a request for Arbitration is rejected by the Arbitration and Compliance Committee, the filing fee may still be charged. If the Arbitration and Compliance Committee determines that a request is invalid, it may reject the case and retain the filing fee in circumstances, such as one of the following:

- Requesting Member did not file the request within the required time limits
- Multiple Acquirers, Issuers, Account Numbers, Merchants and filing reasons are involved
- A bundled case filing, containing more than 10 Chargebacks, was submitted

#### **7.4.D.7 Visa Notification of Arbitration Case Acceptance**

For a valid request, Visa notifies both Members of case acceptance.

#### **7.4.D.8 Opposing Member's Response to Arbitration Case Acceptance**

**Effective for Arbitration cases filed through 17 April 2015**, if the opposing Member chooses to respond, it must do so within 14 calendar days of the Visa Notification date, and either:

- Respond to the Notification
- Accept financial responsibility for the Transaction through Visa Resolve Online

**Effective for Arbitration cases filed on or after 18 April 2015**, if the opposing Member chooses to respond, it must do so within 7 calendar days of the Visa Notification and either:

- Respond to the Notification
- Accept financial responsibility for the Transaction through Visa Resolve Online

#### **7.4.D.9 Requesting Member's Withdrawal of Arbitration Case**

The requesting Member may withdraw its request. Once the case is withdrawn, Visa will collect the filing fee from the responsible Member through the Global Member Billing Solution.

#### **7.4.D.10 Member Exceptions Due to Visa System Problems During the Chargeback and Arbitration Process**

In the event a Member misses a deadline or fails to submit documentation electronically due to Visa back office service platform failure, Visa may negate the impact by granting an exception to Visa dispute processing deadlines or documentation requirements.

### **7.4.E Arbitration Financial Liability**

**7.4.E.1.a** The decision may result in either:

- One Member assigned full liability
- Members sharing financial liability

**7.4.E.1.b** For disbursement of the disputed Transaction amount pursuant to an Arbitration ruling, the responsible Member must reimburse the prevailing Member for the disputed Transaction amount through an Automated Clearing House (ACH) transaction, VisaNet, or Visa Resolve Online within 30 calendar days of notification from the Arbitration and Compliance Committee.

**7.4.E.1.c** Either Member in an Arbitration dispute may also be liable for a penalty fee for each technical violation of the applicable Operating Regulations.

**7.4.E.1.d** When the case is adjudicated, Visa will collect the filing and review fees through the Global Member Billing Solution from the responsible Member.

## 7.4.F Arbitration Appeal

### 7.4.F.1 Arbitration Appeal Amount

The US dollar amount, or local currency equivalent, of the case determines whether the adversely affected Member may appeal the decision, as shown in the following table:

**Table 7-4: Arbitration Appeal Rights**

Disputed Amount	Appeal Right	Appeal Authority
Less than US \$5,000	No	Not applicable
US \$5,000 to US \$100,000	<b>Only</b> if Member can provide new evidence not previously available at the time of the original case filing	Arbitration and Compliance Committee
Greater than US \$100,000	<b>Only</b> if Member can provide new evidence not previously available at the time of the original case filing	Arbitration and Compliance Committee

### 7.4.F.2 Arbitration Appeal Time Limit

The adversely affected Member must file for appeal within 60 calendar days of the decision Notification date.

### 7.4.F.3 Arbitration Appeal Filing Fee

The requesting Member:

- Is assessed a filing fee, as specified in the applicable regional pricing guide
- Must not collect the filing fee from the opposing Member if the original decision is reversed

### 7.4.F.4 Finality of Decision on Arbitration Appeal

The decision on any permitted appeal is final and not subject to any challenge.



## 7.5 Compliance

### 7.5.A Compliance Description

Compliance allows a Member that has no Chargeback, Representment, pre-Arbitration, or Arbitration right to file a complaint against a Member for a violation of the *Interlink Network, Inc. Operating Regulations*. A requesting Member is liable for any difference due to currency fluctuation between the amount originally presented and the Chargeback or Representment amount.

### 7.5.B Compliance Filing Conditions

A Member may file for Compliance if all of the following are true:

- Violation of the *Interlink Network, Inc. Operating Regulations* occurred
- Member has no Chargeback or Representment right
- Member incurred or will incur a financial loss as a direct result of the violation
- Member would not have incurred the financial loss had the violation not occurred

A violation not involving a Transaction is resolved as specified in *Section 1.6, "Regulation Enforcement,"* and as deemed appropriate by Visa.

**Effective for Qualifying CAMS Events sent on or after 15 May 2012,** a violation involving failure to comply with the PIN Management Requirements Documents, the *Visa PIN Security Program Guide*, or non-compliance with the Payment Card Industry Data Security Standard (PCI DSS) that could allow a compromise of Magnetic-Stripe data is not resolved through the Compliance process. Such violations are resolved through the Global Compromised Account Recovery process as specified in *Section 2.7*, and as determined by Interlink.

### 7.5.C Pre-Compliance for Violations

#### 7.5.C.1 Pre-Compliance Conditions

Before filing for Compliance, the requesting Member must attempt to resolve the dispute with the opposing Member. This attempt must include all of the following:

- Attempt date
- Clear identification as pre-Compliance attempt
- Planned Compliance filing date
- All pertinent documentation
- Specific violation of the *Interlink Network, Inc. Operating Regulations*

### **7.5.C.2 Pre-Compliance Attempt**

A pre-Compliance attempt must include the information required in the Pre-Compliance Attempt Questionnaire. The pre-Compliance attempt must be sent electronically, using Visa Resolve Online, at least 30 calendar days prior to the Compliance filing date.

### **7.5.C.3 Pre-Compliance Acceptance**

If the opposing Member accepts financial liability for the disputed Transaction, it must credit the requesting Member for the last amount received by the requesting Member through VisaNet within 30 calendar days of the pre-Compliance attempt date.

### **7.5.C.4 Pre-Compliance Rebuttal**

If the opposing Member does not accept financial liability for the disputed Transaction, the requesting Member may pursue Compliance.

### **7.5.C.5 Pre-Compliance Response**

Acceptance or rebuttal of a pre-Compliance attempt must be made through Visa Resolve Online.

## **7.5.D Compliance for Violations**

### **7.5.D.1 Compliance Filing Reasons**

A Member may file for Compliance for any violation of the *Interlink Network, Inc. Operating Regulations*, except as specified in *Section 7.5.B*.

#### **7.5.D.1.a Chargeback Reduction Service Returned Valid Chargeback or Representment for Invalid Data**

A Member may file for Compliance if the Chargeback Reduction Service returned a valid Chargeback or Representment resulting from a Member transmitting invalid data such as:

- Incorrect Transaction Date
- Incorrect Merchant Category Code
- Invalid indicator for the Merchant or Transaction type
- Incorrect state/country code or special condition indicator

Required Documentation:

Both:

- Evidence of incorrect or invalid data
- Evidence Member was able to meet Chargeback or Representment conditions

## **7.5.E Filing for Compliance**

### **7.5.E.1 Compliance Filing Procedures**

The requesting Member may file its Compliance request with Visa.

### **7.5.E.2 Compliance Case Filing Through Visa Resolve Online**

The requesting Member must file all Compliance cases electronically, using Visa Resolve Online.

### **7.5.E.3 Required Documentation for Compliance**

When seeking Compliance, the requesting Member must submit all of the following in English:

- Information required in the Visa Resolve Online Dispute Questionnaire for each Transaction
- Information required in the Visa Resolve Online Dispute Questionnaire
- If the Compliance involves a prior Chargeback, a completed Visa Resolve Online Dispute Questionnaire for each Chargeback or Representment
- Any supporting documentation to ensure a fair decision, such as Authorization records, registers, Merchant documents, and Member files
- For non-English documents, translations (unless the requesting Member did not receive the previously submitted documents in English)

Additional information or documentation not previously provided to the opposing Member must not be included in the case filing.

### **7.5.E.4 Compliance Filing Fee Collection**

Visa collects a filing fee through the Global Member Billing Solution for requests submitted to Visa.

### **7.5.E.5 Compliance Notification through Visa Resolve Online**

The requesting Member must send the required Compliance documentation for Compliance cases electronically, using Visa Resolve Online.

### **7.5.E.6 Visa Determination of Invalid Compliance Request**

If a request for Compliance is rejected by the Arbitration and Compliance Committee, the filing fee may still be charged.

If the Arbitration and Compliance Committee determines that a request is invalid, it may reject the case and retain the filing fee in certain circumstances, such as one of the following:

- Requesting Member did not file the request within the required time limits
- Multiple Acquirers, Issuers, Account Numbers, Merchants are involved
- A bundled case filing, containing more than 10 Chargebacks, was submitted

### **7.5.E.7 Visa Notification**

For a valid request, the Arbitration and Compliance Committee notifies both Members of acceptance.

### **7.5.E.8 Opposing Member's Response**

**Effective for Compliance cases filed through 17 April 2015**, should the opposing Member choose to respond, it must, within 14 calendar days of the Visa Notification date, either:

- Respond to the Notification using Visa Resolve Online
- Accept financial liability for the Transaction by notifying Visa using Visa Resolve Online

**Effective for Compliance cases filed on or after 18 April 2015**, should the opposing Member choose to respond, it must, within 7 calendar days of the Visa Notification date, either:

- Respond to the Notification using Visa Resolve Online
- Accept financial liability for the Transaction by notifying Visa using Visa Resolve Online

### **7.5.E.9 Compliance Withdrawal Request**

The requesting Member may withdraw its request.

### **7.5.E.10 Compliance Filing Fee Collection After Withdrawal Request**

Once the case is withdrawn, Visa will collect the filing fee through the Global Member Billing Solution.

### **7.5.E.11 Member Exceptions Due to Visa System Problems**

In the event a Member misses a deadline or fails to submit documentation electronically due to Visa back office service platform failure, Visa may negate the impact by granting an exception to Visa dispute processing deadlines or documentation requirements.

### **7.5.E.12 Arbitration and Compliance Committee Decision During the Compliance Process**

The Arbitration and Compliance Committee bases its decision on all information available to it at the time of reaching the decision, including, but not limited to, the provisions of the *Interlink Network, Inc. Operating Regulations* effective on the Transaction Date and may, at its sole discretion, consider other factors such as the objective of ensuring fairness. The decision is:

- Delivered to both Members
- Final and not subject to any challenge, except for any right of appeal permitted under Appeal Rights

### **7.5.E.13 Assignment of Liability by Arbitration and Compliance Committee**

The decision may result in either:

- One Member assigned full liability
- Members sharing financial liability

### **7.5.E.14 Responsible Member Financial Liability for Compliance**

**7.5.E.14.a** For disbursement of the disputed Transaction amount pursuant to a Compliance ruling, the responsible Member must reimburse the prevailing Member for the disputed Transaction amount through an Automated Clearing House (ACH) transaction, VisaNet, or Visa Resolve Online within 30 calendar days of notification from the Arbitration and Compliance Committee.

**7.5.E.14.b** Either Member in a Compliance dispute may also be liable for a penalty fee for each technical violation of the applicable Operating Regulations.

**7.5.E.14.c** When the case is adjudicated Visa will collect the filing and review fees through the Global Member Billing Solution from the responsible Member.

### **7.5.E.15 Compliance Time Limits**

The requesting Member must file its request within 90 calendar days of the following dates. The 90 calendar-day period includes pre-Compliance and begins on the day following these dates:

- For a Transaction violation, either:
  - Processing Date
  - Date the Member discovered that a violation occurred (not to exceed 2 years from the Transaction Date), if no evidence of the violation was previously available to the Member
- For other violations, the violation date. If the requesting Member does not meet the allowed time limits, it loses its Compliance right and is financially liable for the Transaction.

## 7.5.F Compliance Appeal Rights

### 7.5.F.1 Compliance Appeal Amount

The US dollar amount, or local currency equivalent of the case, determines whether the adversely affected Member may appeal the decision, as shown in the following table:

**Table 7-5: Compliance Appeal Rights**

Disputed Amount	Appeal Right	Appeal Review By
Less than US \$5,000	No	Not Applicable
US \$5,000 to US \$100,000	Only if Interlink Member can provide new evidence not previously available at the time of the original case filing	Arbitration and Compliance Committee
Greater than US \$100,000	Only if Interlink Member can provide new evidence not previously available at the time of the original case filing	Arbitration and Compliance Committee

### 7.5.F.2 Compliance Appeal Time Limits

The adversely affected Member must file any appeal within 60 calendar days of the decision Notification date.

### 7.5.F.3 Compliance Appeal Filing Fee

The requesting Member:

- Is assessed a filing fee as specified in the applicable regional pricing guide
- Must not collect the filing fee from the opposing Member if the original decision is reversed

### 7.5.F.4 Compliance Appeal Decision

The decision on any permitted appeal is final and not subject to any challenge.

## 7.6 Interchange Reimbursement Fee (IRF) Compliance

### 7.6.A Interchange Reimbursement Fee Compliance Eligibility

A Member may file for IRF Compliance if all the following:

- A violation of the *Interlink Network, Inc. Operating Regulations* or Interlink Interchange Reimbursement Fee Rate Sheet occurred
- The Member received or paid incorrect IRF as a direct result of the violation by another Member
- The Member's financial loss is a direct result of an incorrectly applied IRF rate
- The Member would not have incurred a financial loss if the violation had not occurred
- The violating Transactions were processed through VisaNet
- The IRF rate paid or received is not governed by any bilateral or private agreements
- Visa has screened the request in accordance with Section 7.6.B and granted permission for the Member to file

A Member may aggregate up to 1,000,000 Transactions into a single IRF Compliance case if the Transactions involved the same opposing Member and violated the same operating regulation or the same requirement in the *Interlink Interchange Reimbursement Fee Rate Sheet*. The value of the aggregated Transactions must not be less than the sum of the IRF screening fee and the IRF filing fee specified in the *Visa Canada Fee Guide* and the *Visa U.S.A. Fee Guide*.

Visa may refuse to allow a filing Member to participate in IRF Compliance. The decision by Visa to refuse participation is final and not subject to any challenge.

A Member's submission that does not meet the IRF Compliance eligibility criteria may file for Compliance, as specified in *Section 7.5*.

## **7.6.B Interchange Reimbursement Fee Compliance Screening**

As specified in the *Interchange Reimbursement Fee Compliance Process Guide*, the filing Member must submit the Interchange Reimbursement Fee Compliance Screening Form to Visa within 90 calendar days of the Processing Date of the oldest Transaction submitted in the claim.

Visa may accept a screening request that is submitted more than 90 calendar days after the Processing Date of the oldest Transaction submitted in the claim if all of the following:

- The violation was discovered within 2 years of the Processing Date of the oldest Transaction submitted
- The screening request was submitted within 90 calendar days of the discovery of the violation
- Visa determines that extenuating circumstances prevented the Member from discovering the violation earlier

Visa assesses a screening fee to the requesting Member for each Interchange Reimbursement Fee Compliance Screening Form submitted, as specified in the *Visa Canada Fee Guide* and the *Visa U.S.A. Fee Guide*.

### 7.6.C Interchange Reimbursement Fee Compliance Request Denial

Visa may deny a Member's request to file for IRF Compliance for any reason, including, but not limited to, the following:

- Visa concludes that a Member's failure to exercise due diligence prevented the discovery of the violation within 90 days from the Transaction Processing Date
- Visa determines that the assessment of the incorrect interchange amount resulted from an error (intentional or accidental) by the filing Member
- Visa determines that, contrary to Member certification, some Transactions were assessed the correct interchange amount

If Visa denies a Member's request to file for IRF Compliance, the Member:

- Must not resubmit the claim, except as specified in the Interchange Reimbursement Fee Compliance Process Guide
- May use the standard Compliance process, as specified in Section 7.5
- Forfeits the IRF Compliance screening fee

### 7.6.D Interchange Reimbursement Fee Pre-Compliance

If Visa approves a Member's IRF Compliance screening request, the Member must first attempt to resolve the dispute with the opposing Member through the pre-Compliance process.

To initiate IRF pre-Compliance, the filing Member must submit to the opposing Member a properly completed Interlink Pre-Compliance Dispute Resolution Form (Exhibit J-1) through Visa Resolve Online.<sup>17</sup>

If the opposing Member accepts financial responsibility for the disputed Transactions or if the filing Member and the opposing Member reach a settlement, the opposing Member must notify Visa of the outcome and credit the agreed amount to the requesting Member through VisaNet within 30 calendar days of the IRF pre-Compliance correspondence date.

The filing Member may collect the screening fee from the responsible Member.

If the opposing Member does not accept financial responsibility for the disputed Transactions and an agreement cannot be reached between the filing Member and the opposing Member, the filing Member may file for IRF Compliance, as specified in *Section 7.6.E*.

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<sup>17</sup> If applicable, Interlink and Visa transactions may be included in one claim, as specified in the *Interchange Reimbursement Fee Compliance Process Guide*.



### **7.6.E Interchange Reimbursement Fee Compliance Filing**

If the opposing Member does not accept financial responsibility for the disputed Transactions and an agreeable settlement cannot be reached through the IRF pre-Compliance process, the filing Member may file for IRF Compliance.

For IRF Compliance requests submitted to Visa, the filing Member will be assessed a review fee, as specified in the *Visa Canada Fee Guide* and the *Visa U.S.A. Fee Guide*.

If Visa rules in favor of the filing Member, the opposing Member is financially liable for the:

- IRF Compliance screening fee
- IRF Compliance review fee
- Amount of the claim, or a portion thereof

If Visa rules in favor of the opposing Member, the filing Member:

- Forfeits the IRF Compliance screening fee and the IRF Compliance review fee
- Is prohibited from resubmitting any Transactions from that claim through another IRF Compliance filing

The decision by Visa is final and not subject to any challenge, except as specified in *Section 7.6.F*.

### **7.6.F Interchange Reimbursement Fee Compliance Appeal**

Any appeal by the adversely affected Member must be filed through Visa Resolve Online within 45 calendar days of the decision Notification date.

The appealing Member must submit with the appeal any new or additional information necessary to substantiate its request for an appeal.

Visa will collect from the Member an appeal fee, as specified in the *Visa Canada Fee Guide* and the *Visa U.S.A. Fee Guide*.

Visa may decline an appeal if the new information is insufficient to support a change to the initial Visa decision. If the appeal is not accepted, Visa will retain the appeal fee.

## 8 Reserved For Future Use

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## 9 Pricing, Fees, and Interchange

### 9.1 Introduction

This chapter describes pricing, fees, and interchange applicable to Interlink Members and Processors participating in the Interlink Network.

### 9.2 Interlink Network Fees

#### 9.2.A Fee Calculation

Interlink Network calculates fees that have been imposed upon any Interlink Member or its Affiliates, as specified in the *Visa Canada Fee Guide* and the *Visa U.S.A. Fee Guide*.

#### 9.2.B Statements

Interlink Network will electronically transmit to each Interlink Member a detailed statement of the fees that have been imposed, as specified in *Section 9.2.A*.

#### 9.2.C Fees Paid by Interlink Member

Interlink will debit each Interlink Member's Settlement Account for the amount of the fees that are reflected on the statement transmitted to each Interlink Member, as specified in *Section 9.2.B*.

#### 9.2.D Interlink Member Responsibilities

An Interlink Member is responsible for payment of all fees resulting from its own and its Affiliates' activities.

#### 9.2.E Fee Adjustments

If Interlink confirms that a Member has either underpaid or overpaid its fees, Interlink may process a fee adjustment. The fee adjustment time period is limited to the 2 years prior to the date that either:

- The overpayment or underpayment was reported to Interlink by the Member
- Interlink discovered that an adjustment was due to the Member

Interlink reserves the right to collect an underpayment from a Member beyond the 2-year period.

Any collection or refund does not include interest.

## 9.3 Application Fees

A non-refundable application processing fee is due with the membership application, as described in the *Visa U.S.A. Fee Guide*.

## 9.4 Administrative Fees

Administrative fees are monthly fees covering support expenses for Interlink Members. Administrative fees will be billed beginning 6 months after a membership application is approved or the month of active participation in the Interlink Network, whichever comes first. Administrative fees for Interlink Members and Non-Member Processors are specified in the *Visa U.S.A. Fee Guide*.

The maximum monthly administrative fees for Interlink Members are specified in the *Visa U.S.A. Fee Guide*.

## 9.5 Card Royalty Fees

A quarterly Card royalty fee per Card is assessed per operational Card, whether or not the Card bears the Interlink Marks, as specified in the *Visa U.S.A. Fee Guide*.

## 9.6 Interchange Reimbursement Fees

### 9.6.A Payment of Interchange Reimbursement Fees

An Acquirer pays an Interchange Reimbursement Fee to an Issuer for each Transaction processed through the Interlink Switch, with certain exceptions, as specified in *Table 9-1* and the *Interlink Interchange Reimbursement Fee Rate Sheet*. The *Interlink Interchange Reimbursement Fee Rate Sheet* is available at [visa.com](http://visa.com).

**Table 9-1: Payment of Interchange Reimbursement Fees**

Interlink Members and Non-Member Processors	Interchange Reimbursement Fee	
	Charged to	Received by
Purchase Debit	Acquirer	Issuer
Preauthorization	None	None
Preauthorization Completion	Acquirer	Issuer
Declines	None	None
Balance Inquiry	None	None
Reversal	Issuer	Acquirer
Credit	Issuer	Acquirer

Interlink Members and Non-Member Processors	Interchange Reimbursement Fee	
	Charged to	Received by
Adjustment	Acquirer <sup>1</sup>	Issuer <sup>1</sup>
Chargeback	Issuer	Acquirer
Representment	Acquirer	Issuer

<sup>1</sup>Interchange is reversed for credit Adjustments.

## 9.6.B Interchange Reimbursement Fee for Interregional Transactions

Fees are reimbursed by one Member to another to cover Interregional Interchange. An Acquirer reimburses the Issuer for each Interregional Transaction. The Interchange Reimbursement Fee for Interregional Transactions is specified in the *Interlink Interchange Reimbursement Fee Rate Sheet*, available at [visa.com](http://visa.com).

## 9.7 Processing Charges and Fees

### 9.7.A Acquirer Switch Fees

Acquirer switch fees apply to all Interlink Transactions, as specified in the *Visa U.S.A. Fee Guide*. The switch fee is assessed for any transaction if either:

- Interlink is the only network associated with the Card, regardless of whether or not the transaction is processed through the Interlink Switch, or
- Multiple networks are associated with the Card and the transaction is processed through the Interlink Switch

### 9.7.B VisaNet Exception File Service Charges

Issuers are assessed charges for VisaNet Exception File processing, as specified in the *Visa U.S.A. Fee Guide*.

### 9.7.C Interlink Network Settlement and Reconciliation Fees

Interlink Members are assessed Settlement and reconciliation fees, as specified in the *Visa U.S.A. Fee Guide*.

### **9.7.D Interlink Network Testing and Certification Charges**

Interlink assesses charges for use of the VisaNet Test System, when used for VisaNet certification or re-certification, or user-requested testing of an authorizing Processor or Visa Merchant Direct Exchange Merchant, as specified in the *Visa U.S.A. Fee Guide*.

### **9.7.E Monthly Access Charge**

If an endpoint only processes Interlink Transactions, Interlink assesses a monthly VisaNet access charge to authorizing Processors, as specified in the *Visa U.S.A. Fee Guide*. The charge is:

- Based on data communications and VisaNet Access Point capacity required to support projected peak hour V.I.P. System message volume
- Assessed upon the date of installation of the VisaNet Access Point
- Assessed for each VisaNet Access Point using a PC-based configuration<sup>18</sup>

VisaNet Access Point charges and additional requirements related to monthly access fees are available from Interlink upon request.

### **9.7.F. Interlink Issuer Switch Fee**

#### **9.7.F.1 U.S. Issuer Switch Fee**

The Interlink U.S. Issuer Switch Fee is specified in the *Visa U.S.A. Fee Guide*.

#### **9.7.F.2 Canada Issuer Switch Fee**

The Interlink Canada Issuer Switch Fee is specified in the *Visa Canada Fee Guide*.

### **9.7.G Canada Card Service Fee**

The Interlink Canada Card Service Fee is specified in the *Visa Canada Fee Guide*.

### **9.7.H International Service Assessment (ISA) Fee**

An International Service Assessment fee is charged to Issuers and Acquirers for each International Transaction, as specified in the *Visa Canada Fee Guide* and the *Visa U.S.A Fee Guide*.

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<sup>18</sup> Includes other applicable technologies

## 9.8 Acquirer Exception Item Fees

### 9.8.A Fee Criteria

An Acquirer must pay a fee per exception item, up to a maximum amount per month, when exception item Transactions exceed 0.15 percent of the total settled Transactions for two consecutive months, as specified in the *Visa U.S.A. Fee Guide*.

### 9.8.B Exception

The fee referenced in *Section 9.8.A* will not apply for 90 days after commencing active participation in the Interlink Network.

## 9.9 Miscellaneous Fees

### 9.9.A Arbitration and Compliance Fees

#### 9.9.A.1 Fee Description

Interlink assesses Arbitration and Compliance fees to the filing or responsible Interlink Member, as appropriate, and collects them through the Global Member Billing Solution, as specified in the *Visa Canada Fee Guide* and the *Visa U.S.A. Fee Guide*.

#### 9.9.A.2 Appeal Fee

An Interlink Member that files an appeal of an Arbitration or a Compliance case decision must include an appeal fee, as specified in the *Visa Canada Fee Guide* and the *Visa U.S.A. Fee Guide*.

### 9.9.B Independent Sales Organization and Independent Contractors Registration Fees

Registration fees for Independent Sales Organizations and Independent Contractors registered under the Non-Member Registration Program include an initial registration fee<sup>19</sup> and an annual fee,<sup>20</sup> as specified in the *Visa U.S.A. Fee Guide*.

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<sup>19</sup> Only one registration fee and annual fee is assessed to an Interlink Member registering an Independent Sales Organization with Visa U.S.A., Interlink Network, or both.

<sup>20</sup> Interlink will waive the annual fee for the calendar year in which an Interlink Member has paid the initial registration fee. The annual fee is billed in July of each year.



### 9.9.C Encryption and Support Organization Registration Fees

Registration fees for Encryption and Support Organizations in the Non-Member Registration Program include an initial registration fee<sup>21</sup> and an annual fee,<sup>22</sup> as specified in the *Visa U.S.A. Fee Guide*.

### 9.9.D Processor Registration Fees

Registration fees for Processors in the Non-Member Registration Program include an initial registration fee and an annual fee, as specified in the *Visa U.S.A. Fee Guide*.

Interlink will waive the annual fee for the calendar year in which a Processor has paid the initial registration fee.

### 9.9.E Late Settlement Fee

#### 9.9.E.1 Fee Description

An Interlink Member must pay a Late Settlement Fee if the Settlement Amount is not transferred, as specified in Chapter 6, "*Operational Standards*."

#### 9.9.E.2 Fee Calculation

**9.9.E.2.a** Following receipt of the delayed Settlement Amount, the funds are transferred, as specified in Chapter 6, "*Operational Standards*."

**9.9.E.2.b** The Late Settlement Fee is calculated as follows:

$$\frac{(\text{Calendar Days}) \times (\text{Prime Rate} + 3\%) \times (\text{Settlement Amount})}{360}$$

- Calendar days include the day that the Settlement Amount was due and exclude the day that the Settlement Amount is correctly transferred.
- Prime rate is the rate in effect at the Interlink Settlement Bank on the day the funds are correctly transferred.

#### 9.9.E.3 Fee Minimum

Interlink assesses a minimum Late Settlement Fee per day to an Interlink Member for each calendar day that it has not paid the Settlement Amount, as specified in the *Visa U.S.A. Fee Guide*. Since the Settlement Amount is determined daily, each individual Settlement Amount is subject to this fee.

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<sup>21</sup> Only one registration fee and annual fee is assessed to an Interlink Member registering an Encryption and Support Organization with Visa U.S.A., Interlink Network, or both.

<sup>22</sup> Interlink will waive the annual fee for the calendar year in which an Interlink Member has paid the initial registration fee. The annual fee is billed in July of each year.

## **9.9.F Service Fee Collection and Funds Disbursement**

### **9.9.F.1. Interlink Member Requirements**

Interlink will provide an Interlink Member or Processor with the appropriate fee collection and funds disbursement agreement for fee collection and funds disbursement transactions. This agreement must be signed and returned to Interlink prior to the initiation of any fee collection and funds disbursement transaction.

**9.9.F.1.a** The signed agreement remains valid for all collection and funds disbursement transactions until the Interlink Member or Processor notifies Interlink of:

- Its replacement by a new agreement or
- Revocation of the agreement because the Interlink Member or Processor was terminated

**9.9.F.1.b** Upon Interlink request, an Interlink Member or Processor must provide information as appropriate for the purpose of fee collection and funds disbursement.

**9.9.F.1.c** If any account information (such as the Account Number or financial institution) changes, the Interlink Member or Processor must:

- Notify Interlink at least 10 calendar days prior to the effective date of the change and
- Submit a new fee collection and funds disbursement agreement with the change

### **9.9.F.2 Rejection of Fee Collection and Funds Disbursement Transaction**

Interlink may require a same-day wire transfer or initiate a fee collection through VisaNet if a valid fee collection and funds disbursement transaction is rejected or cannot be initiated for any reason, including the following:

- Interlink Member did not comply with *Section 9.9.F.2* or *Section 9.9.F.5* and/or
- Existing fee collection and funds disbursement authorization agreement was revoked prior to a replacement authorization agreement taking effect

### **9.9.F.3 Financial Liability**

**9.9.F.3.a** An Interlink Member or Processor that is required to use the appropriate fee collection and funds disbursement service may be required to reimburse Interlink for any expense incurred for processing any payment made by a different means.

**9.9.F.3.b** An Interlink Member or Processor that fails to comply with a wire transfer request and/or fee collection is subject to fines and penalties, as specified in Chapter 1, "*General Regulations*."

**9.9.F.3.c** Interlink is not liable for collections made in error, except through intentional misconduct.

#### **9.9.F.4 Initial Service Fee Collections**

**9.9.F.4.a** Interlink may collect initial service fees through the appropriate fee collection and funds disbursement service from all new Principal, Group, Administrative and Acquirer Members.

**9.9.F.4.b** Upon Interlink request, a Principal, Group, Administrative or Acquirer Member, or an applicant for Principal, Group, Administrative or Acquirer membership, must comply with Section 9.9.F.2 for the purpose of collecting fees and disbursing funds through the appropriate fee collection and funds disbursement service.

#### **9.9.F.5 Adjustments**

#### **9.9.F.6 Advance Notice**

Interlink notifies an Interlink Member in advance of any fee collection and funds disbursement transaction that is required when applicable fines and penalties are assessed.

## 10 Card & Marks Specifications

### 10.1 Introduction

This chapter governs Card and Interlink Marks specifications, including reproduction of the Interlink Marks, Card branding, and physical Card characteristics.

### 10.2 Interlink Member Compliance

An Interlink Member must ensure that all Cards conform to the standards and specifications specified in the *Interlink Network, Inc. Operating Regulations*.

### 10.3 Interlink Marks

The Interlink Marks are all of the following:

- Interlink Wordmark
- Network Design Mark
- Any other Interlink Marks that Visa U.S.A. adopts for use with the Interlink Program.

#### 10.3.A General Requirements

##### 10.3.A.1 Interlink Wordmark

**10.3.A.1.a** The Interlink Wordmark must:

- Appear in the unique hand-lettered typeface, as specified in Interlink Wordmark.
- Appear in combination with the Network Design Mark to form the Interlink Marks, as specified in *Figure 10-3*.

**10.3.A.1.b** The registered Interlink Marks denotation ® must both:

- Appear with the Interlink Wordmark at the first or most prominent use of the Interlink Wordmark in typed or printed material
- Appear in white

**10.3.A.1.c** The Interlink Wordmark must be distinguished from the surrounding text, either by appearing in all capital letters, italics, boldface, or initial capital letters.

**Figure 10-1 Interlink Wordmark****INTERLINK®****10.3.A.2 Network Design Mark**

The Network Design Mark is a specially-designed graphic device that forms the primary visual element of the Interlink identity program.

**10.3.A.2.a** The Network Design Mark must:

- Appear as specified in *Figure 10-2*.
- Appear in combination with the Interlink Wordmark to form the Interlink Marks, as specified in *Figure 10-3*.

**10.3.A.2.b** The registered Interlink Marks denotation ® is required in all uses of the Network Design Mark, as specified in *Figure 10-3*.

**10.3.A.2.c** The registered Interlink Marks denotation ® must appear in white.

**10.3.A.2.d** The Network Design Mark has been carefully designed to appear symmetrical and stable. Upon close examination:

- It can be seen that angles and widths have been carefully structured so as to overcome optical illusions.
- The Network Design Mark clearly has a top and a bottom.
- When placed in its proper orientation, the eye moves easily around the Network Design Mark and perceives its perfect symmetry.

**Figure 10-2 Network Design Mark****10.3.A.3 Interlink Marks**

**10.3.A.3.a** The Interlink Marks must appear as specified in *Figure 10-3*.

**10.3.A.3.b** The combination of the Interlink Wordmark and the Network Design Mark is referred to as the Interlink Marks.

**10.3.A.3.c** The Interlink Wordmark and the Network Design Mark must:

- Appear in combination
- Not be used separately

**10.3.A.3.d** The registered Interlink Marks denotation ® must both:

- Appear with the Interlink Marks
- Appear in white

**10.3.A.3.e** If the Interlink Marks are reproduced less than XXmm in width, the registered Interlink Marks denotation ® must be omitted.

**10.3.A.3.f** Camera-ready artwork for the Interlink Marks is specified in the *Interlink Network Logo Specifications Guide*.

**Figure 10-3 Interlink Marks**



## **10.3.B Color Images**

### **10.3.B.1 Color Standards**

**10.3.B.1.a** The colors to be used for the Interlink Marks are the Visa Blue Color, Visa Gold Color, and white. The Visa Blue Color and the Visa Gold Color must match by color comparison the swatches, available from Interlink upon request.

**10.3.B.1.b** The colors must be used as specified in *Table 10-1*. No other application or combination of colors is allowed, except as specified in *Section 10.3.B.3*.

**Table 10-1: Interlink Marks Colors**

Area	Color
Network Design Mark	White with an internal band of Visa Gold Color
Interlink Wordmark	White
Background	Visa Blue Color
Border	White
Outline	Visa Blue Color

### 10.3.B.2 Background

The Interlink Marks background must be outlined by a single blue line, unless it contrasts with the white border.

### 10.3.B.3 Black and White and Single Color Requirements

**10.3.B.3.a** If the use of the color standards, as specified in Section 10.3.B, is not possible, the Interlink Marks may appear in black and white.

**10.3.B.3.b** When the Interlink Marks appear with other regional or national ATM Marks in a single color other than black, the Interlink Marks may be reproduced in that color against a white background.

**10.3.B.3.c** The elements of the Interlink Marks must not be reversed in black and white or single color reproductions.

## 10.4 Card Branding

A widely used and seen application of the Interlink identity program is the appearance of the Interlink Marks on plastic cards. In this important face to the public, responsibility for a consistent identity goes beyond the original design. The Issuer must adhere to the color standards, and the elements must be properly placed to complete the unified effect, as specified in *Section 10.3.B*.

### 10.4.A Issuer Name

The name of the Issuer must appear on either the front of the Card or the back of the Card.

### 10.4.B Interlink Marks

Except as specified in *Section 1.8.A.4* and *Section 10.4.C.2* the Interlink Marks must be displayed on all Cards, as specified in the *Interlink Network, Inc. Operating Regulations*. If displayed, the Interlink Marks must appear, as specified in *Section 10.4.B*.

### **10.4.B.1 Placement**

**10.4.B.1.a** The Interlink Marks must appear on either the front of the Card or the back of the Card.

**10.4.B.1.b** The Interlink Marks may remain on an unembossed portion of the Card.

### **10.4.B.2 Size**

The minimum size of the Interlink Marks is XXmm in width, when displayed on a Card.

### **10.4.B.3 Form**

The Interlink Marks must be used in a rectangular form without rounded corners.

## **10.4.C Use of Interlink Marks on Cards**

### **10.4.C.1 General**

An Issuer must not use any of the Interlink Marks on any card that primarily accesses a line of credit.

### **10.4.C.2 Interlink Marks on Cards**

#### **10.4.C.2.a**

The Interlink Marks must appear, in equal prominence, on a Card if the Card displays the acceptance Mark of any other PIN-based debit program, as specified in the *Visa Product Brand Standards*.

The Interlink Marks are not required to appear on a Card if the Card does not display the acceptance Mark of any other PIN-based debit program, as specified in the *Visa Product Brand Standards*.

If the Interlink Marks do not appear on a Card, the Issuer must clearly communicate to its Cardholders at the time of issuance that the Card may be used for PIN debit Transactions anywhere Cards are accepted..

An Issuer that issues a Card on which the Interlink Marks do not appear must clearly communicate to its Cardholders how such Cards may be used to initiate PIN debit transactions.



## **10.5 Physical Card Characteristics**

### **10.5.A Card Requirements**

#### **10.5.A.1 Interlink Marks**

The Interlink Marks must not appear on any

- Credit card,
- Charge card, or
- MasterCard debit card or ATM card bearing any other national point-of-sale Mark, including Maestro, that is not a U.S. Covered Debit Card.

#### **10.5.A.2 Interlink Marks on Cards**

### **10.5.B Embossing Requirements**

#### **10.5.B.1 Primary Account Number**

The full Primary Account number must be embossed on the front of the Card unless the Card is a Contactless-Only Payment Device.

#### **10.5.B.2 Cardholder Name and Expiration Date**

The Cardholder name and expiration date (if used) may be embossed on the front of the Card.

### **10.5.C Encoding Requirements**

#### **10.5.C.2 Chip Card Encoding**

An Issuer of a Contact Chip Card must ensure that the Magnetic Stripe Data on the Contact Chip contains the information that is encoded on track 2 of the Magnetic Stripe

The Integrated Circuit Card Verification Value (iCVV) may differ from the Card Verification Value encoded on the Magnetic Stripe of the Card.

**10.5.C.2.a Account Number**

A Chip Card Issuer must ensure that:

- An Interlink Payment Application, when present on the Chip, is the Account Number encoded on the Magnetic Stripe and, if applicable, displayed on the Card
- The Account Number identified in the Magnetic Stripe and, if applicable, displayed on the Card is the designated primary Account Number contained in the Chip

**10.5.C.2.b Expiration Date**

A Chip Card Issuer must ensure that:

- The expiration date contained in a Chip is the same as the expiration date encoded on the Magnetic Stripe and, if applicable, displayed on the Card. If applicable, the expiration date of proprietary services on the Card must not exceed the expiration date of the Interlink Payment Application.
- The expiration date on an Interlink Card is not later than the expiration date of the Issuer's Public Key, or any security feature containing an expiration date in a Chip, if one is present on the Card

**10.5.C.2.c Cardholder Name**

The Cardholder name contained in a Contact Chip Card must be the same as the name displayed on the Card and encoded on the Magnetic Stripe.

A Contactless Chip Card Issuer must ensure that the Cardholder name field in a Contactless Chip Card is encoded with a generic identifier or left blank unless both:

- The field is not accessible over a Contactless interface
- The data fields on the Chip comply with the *Visa Contactless Payment Specifications Version 2.1* or later

**10.5.C.2.d Service Code/Cardholder Verification Method**

A Chip Card Issuer must use the appropriate Service Codes and the applicable Cardholder Verification Method on a Chip Card to communicate its Card acceptance policies, including PIN requirements at the Point-of-Transaction, as specified in the *Payment Technology Standards Manual* and the *Visa Integrated Circuit Card Specification (VIS)*.

**10.5.D Card Design****10.5.D.1 Reviewed by Visa U.S.A.**

**10.5.D.1.a** All Card designs that bear the Interlink Marks must be submitted to Visa U.S.A for review.

**10.5.D.1.b** Re-orders of existing Card design bearing the Interlink Marks not previously approved by Visa U.S.A. must also be submitted to Visa U.S.A. for approval.

### **10.5.D.2 Approved by Visa U.S.A.**

**10.5.D.2.a** Prior to production of the Cards, an Issuer must receive written approval of the Card design from Visa U.S.A.

**10.5.D.2.b** An Issuer, or its designated Visa-approved Card vendor must send each Card design to Visa U.S.A. for approval.

## **10.5.E Affinity Cards**

### **10.5.E.1 General Requirements**

With the prior written consent from Visa U.S.A., an Affinity Card may display the Marks or Trade Name of an entity not eligible to be an Interlink Member, if the entity complies with the *Interlink Network, Inc. Operating Regulations*.

### **10.5.E.2 Affinity Partner Program Name**

A program name is one that distinguishes the Affinity Card program from any other of the Member's programs and from those of other Members. Use of a program name must comply with *Section 10.5.E.2*, *Section 10.5.E.3*, and *Section 10.5.E.4*.

**10.5.E.2.a** An Issuer must obtain the prior written approval from Visa U.S.A. for use of an Affinity Card program name.

**10.5.E.2.b** The Issuer may use either or both of the following on the front of the Card or on the back of the Card:

- Its Trade Name or Marks
- The Affinity Partner's Trade Name

### **10.5.E.3 Use of Marks and Trade Names**

**10.5.E.3.a** The Marks or Trade Name of the Affinity Partner may appear on the front of the Card.

**10.5.E.3.b** The Marks or Trade Name of the Affinity Partner must be clearly legible on either the front of the Card or the back of the Card.

**10.5.E.3.c** Olympic marks, logos, designations, and authenticating statements must not be used on an Affinity Card.

**10.5.E.3.d** If the Marks or Trade Name of the Affinity Partner appears on an Affinity Card, the Marks must be at least equal in size of the total surface of any other Acceptance Mark appearing on the Card.

### **10.5.E.4 More than One Affinity Partner**

If more than one Affinity Partner is involved in the Affinity Card program, all of the following apply:

- The Trade Name or Marks of one or two Affinity Partners may appear on the front of the Card. Three or more Affinity Partner Trade Name or Marks may be permitted with the prior written consent from Visa U.S.A.
- Any additional Affinity Partner in an Affinity Card program may place its Trade Name or Marks only on the back of the Card, unless placement of the Trade Name or Marks on the front of the Card is approved by Visa U.S.A.
- If the Issuer identification is displayed on the back of the Card, it must be at least equal in size to any other Affinity Partner identification on the back of the Card.

### **10.5.E.5 Printing of Telephone Number**

**10.5.E.5.a** A customer service telephone number related to the financial services component of the Interlink Program may be printed on the back of an Affinity Card.

**10.5.E.5.b** If a Card telephone number(s) is printed on the back of an Affinity Card, it must be the Issuer's, the Affinity Partner's, or both.

## **10.5.F Prepaid Cards**

### **10.5.F.1 Reloadable Cards and Non-Reloadable Cards**

A Visa Prepaid Card Issuer must comply with the requirements specified in all of the following:

- *Visa U.S.A. Prepaid Products Program Guidelines*
- *Visa Prepaid Load Network Service Description and Implementation Guidelines*
- *Visa U.S.A. Prepaid Card Design and Branding Guide*
- *Visa U.S.A. Prepaid Retail Channel Guidelines*

### **10.5.F.2 Non-Reloadable Cards**

For any new Non-Reloadable Card stock ordered the legend "NON-RELOADABLE" must be printed on the back of the Card. The legend must be printed as follows:

- In a minimum 6-point Helvetica type font

- In all capital letters
- Anywhere above the Magnetic Stripe

## **10.5.G Campus Cards**

### **10.5.G.1 Use of Marks**

The Interlink Mark may appear on a Campus Card as specified in Section 3.8

### **10.5.G.2 Required Printing**

**10.5.G.2.a** Interlink Mark on a Campus Card linked to a deposit account as specified in the *Interlink Network, Inc. Bylaws* and the *Interlink Network, Inc. Operating Regulations*

If the Interlink Mark appears on the card, the statement "Purchase capability requires a linked deposit account" must appear:

**10.5.G.2.b** Interlink Mark and Plus Mark on a Campus Card linked to a deposit account as specified in the *Interlink Network, Inc. Bylaws* and the *Interlink Network, Inc. Operating Regulations*

If the Interlink Mark and Plus Mark appear on the card, the statement "ATM and purchase capability requires a linked deposit account" must appear:

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## **Interlink Network, Inc. Appendices**

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## Appendix A – Definitions

<b>Acceptance Mark</b>	The Mark that denotes Point-of-Transaction acceptance for payment under specific rules.
<b>Account</b>	A checking, savings or other designated account, other than an occasional or incidental credit balance in a credit plan, maintained with an Issuer.
<b>Account Data Compromise Event</b>	<b>Effective 15 May 2012 through 14 January 2015</b> , an event in which a security breach puts account data at risk of being stolen. <b>Effective 15 January 2015</b> , an event in which account data is put at risk.
<b>Account Number</b>	A primary Cardholder Account Number that is encoded on the Magnetic Stripe or Chip and embossed on the front of a Card, if applicable. The Account Number need not be the same as the number of the associated Account maintained by the Cardholder with the Issuer.
<b>Acquirer</b>	An Interlink Member, as defined in the <i>Interlink Network, Inc. Bylaws</i> , that signs a Merchant, and directly or indirectly submits Transactions into Interchange.
<b>Acquirer Device Validation Toolkit (ADVT)</b>	A set of cards or simulated cards and test scenarios used to validate new or upgraded Contact Chip-Reading Devices.
<b>Activity File Parameters</b>	Maximum limits that an Issuer establishes on the number and value of Transactions that Interlink may authorize on its behalf.
<b>Adjustment</b>	A credit or debit transaction submitted by an Acquirer to correct an out-of-balance situation identified during Settlement or the Terminal balancing process.
<b>Administrative Member</b>	An Interlink Member, as defined in the <i>Interlink Network, Inc. Bylaws</i> .
<b>Affected Party</b>	An Interlink Member or Processor that is either: <ul style="list-style-type: none"><li>• The subject of a request for corrective action</li><li>• Adversely affected by emergency action</li></ul>
<b>Affiliate</b>	An entity that controls, is controlled by, or is under common control of an Interlink Member, including a parent or subsidiary of an Interlink Member, or is sponsored by an Interlink Member.
<b>Affiliate Member</b>	An Interlink Member accepted as an affiliate Interlink Member, as defined in the <i>Interlink Network Inc. Bylaws</i> .

<b>Affiliate Merchant</b>	An entity that: <ul style="list-style-type: none"><li>• Provides goods or services directly to a retail customer</li><li>• Is an affiliate<sup>23</sup> of an Interlink Member or an Affinity Partner</li><li>• Honors any debit card plan as a means of payment</li></ul>
<b>Affinity Card</b>	A Card bearing the Trade Name or Mark of an Affinity Partner, as specified in the <i>Interlink Network, Inc. Operating Regulations</i> .
<b>Affinity Partner</b>	A Non-Member entity that: <ul style="list-style-type: none"><li>• Is not eligible for membership in the Interlink Network and</li><li>• Has a relationship with an Issuer for the issuance of Affinity Cards</li></ul>
<b>Agent</b>	Any contractor, including Processors and any Independent Sales Organizations, Encryption and Support Organizations, Independent Contractors, or third-party servicers, whether an Interlink Member or Non-Member, engaged by an Interlink Member to provide services or act on its behalf in connection with the Interlink Network payment services.
<b>Agent Reference File</b>	A file maintained by Interlink containing information about Independent Sales Organizations, Encryption and Support Organizations, and Processors.
<b>Anti-Money Laundering Program</b>	A program that a Member implements and maintains to prevent money laundering and terrorist financing.
<b>Application Identifier – U.S. Region [NEW]</b>	An EMV-compliant identifier that specifies a unique payment application contained in a Chip Card.
<b>Application Transaction Counter</b>	An application on a Contactless Chip Card that tracks the number of times the Chip is read.
<b>Arbitration</b>	A process where Interlink determines financial liability between Members for Interchange Transactions that are presented and charged back.
<b>Arbitration Committee</b>	An Interlink committee that resolves certain disputes between Members that arise from Chargebacks.
<b>Associate Member</b>	An Interlink Member, as defined in the <i>Interlink Network, Inc. Bylaws</i> .
<b>ATM</b>	An unattended Point-of-Transaction Terminal that has electronic capability, accepts PINs, and disburses currency or travelers cheques.
<b>Authentication</b>	A cryptographic process that validates the identity and integrity of Chip data.

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<sup>23</sup> "Affiliate" has the same meaning as defined in the Federal Bank Holding Company Act of 1956, as amended, 12USC 1841(k)

<b>Authorization</b>	A process, as specified in the <i>Interlink Network, Inc. Operating Regulations</i> , where an Issuer or Stand-In Processing approves a Transaction.
<b>Automated Fuel Dispenser</b>	An Unattended Cardholder-Activated Terminal that dispenses only fuel such as gasoline, diesel fuel, or propane, and accepts PINs.
<b>BackOffice Adjustment System</b>	A Visa service that enables Members and Processors to process exception items via a personal computer connected to VisaNet for Clearing and Settlement.
<b>Billing Currency</b>	The currency in which an Issuer bills a Cardholder for Transactions. If the Billing Currency is the euro or one of its national currency units, either may be used for Chargeback or statementing purposes.
<b>BIN</b>	A six-digit number assigned by Visa, and used to identify an Interlink Member or Processor for Authorization, Clearing, or Settlement processing.
<b>Board of Directors</b>	The Interlink Board of Directors.
<b>Business Day</b>	A day on which an Interlink Member is open to the public for carrying on substantially all its business functions. The day of acceptance or Authorization by an Interlink Member of Transactions does not, of itself, constitute that day as a Business Day.
<b>Campus Card</b>	<p>A card issued to a student, staff member, or faculty member of an educational organization as an integral part of a campus program that:</p> <ul style="list-style-type: none"><li>• May or may not bear the Interlink Mark</li><li>• Includes one or more of the following applications: identification, building access, library access, or a proprietary closed-loop payment application for use only within a college or university system</li></ul>
<b>CAMS</b>	The reporting system used by Visa U.S.A. to notify Issuers of Account Numbers that may have been compromised.
<b>CAMS Alert</b>	A notification through CAMS sent to alert Issuers of Account Numbers involved in a potential compromise event.
<b>CAMS Event</b>	An Account Data Compromise Event wherein one CAMS Alert or multiple, related CAMS Alerts are sent notifying Issuers of Account Numbers involved in a potential compromise.
<b>Canadian Member</b>	An organization with its primary place of business outside the United States and a customer of Visa Canada.

<b>Card</b>	A card that participates in the Interlink Program, enabling a Cardholder to obtain goods, services, or cash from a Merchant.
<b>Card Authorization System</b>	The telecommunications and processing system, as specified in the <i>Interlink Technical Specifications</i> , operated by or on behalf of an Issuer for receiving Authorization requests from, and transmitting Authorizations or Declines to, the Interlink Switch.
<b>Card Verification Value</b>	A unique check value encoded on the Magnetic Stripe and replicated in the Chip of a Card to validate Card information during the Authorization process. The Card Verification Value is calculated from the data encoded on the Magnetic Stripe or Chip using a secure cryptographic process.
<b>Cardholder</b>	An individual or a business to whom a Card is issued, or who is authorized to use this Card.
<b>Cardholder Information Security Program</b>	A program that defines the standard of due care and enforcement for protecting sensitive Cardholder information.
<b>Cardholder Verification Method</b>	A method by which a Cardholder's identity is verified.
<b>Cardholder Verification Method List</b>	An Issuer-defined list that establishes the hierarchy of Cardholder Verification Method preferences.
<b>Cash Back Transaction</b>	A Transaction in which the Merchant gives all or part of the Transaction to the Cardholder as cash.
<b>Central Processing Date</b>	One of the following, as specified in connection with Visa transactions in the <i>Visa U.S.A. Inc. Operating Regulations</i> : <ul style="list-style-type: none"><li>• For Visa transactions processed through BASE II, the date (based on Greenwich Mean Time) on which a Member inputs interchange data to, and the data is accepted by, a VisaNet Interchange Center</li><li>• For Visa transactions processed through the Single Message System, the date the transaction is settled (for financial transactions) or date the transaction is entered into the Single Message System (for non-financial transactions).</li></ul>
<b>Chargeback</b>	A Transaction that an Issuer returns to an Acquirer.
<b>Chargeback Reversal</b>	An Issuer-generated transaction used to negate a previous Chargeback sent in error.
<b>Chip</b>	An electronic component designed to perform processing or memory functions.

<b>Chip Card</b>	A Card or other payment device that contains a Chip that communicates information to a Point-of-Transaction Terminal.
<b>Chip Compliance Reporting Tool (CCRT)</b>	A centralized, server-based, online solution for the systematic reporting of Acquirer Device Validation Toolkit (ADVT) test results.
<b>Chip-initiated Transaction</b>	A Transaction that is initiated using the Chip on a Chip Card and is processed at a Chip-Reading Device.
<b>Chip-Reading Device</b>	A Point-of-Transaction Terminal capable of processing and communicating Transaction data from a Chip Card.
<b>Claim</b>	As used in Chapter 1, " <i>General Regulations</i> ," Section 1.13, personal injury, property losses, damages (including lost profits or savings, indirect, consequential, special, exemplary, punitive, or incidental) losses, penalties, fines, suits, expenses, and cost (including attorneys' fees.)
<b>Clearing</b>	All of the functions necessary to collect a Clearing Record from an Acquirer and deliver it to the Issuer, or to reverse a Transaction, or to process a fee collection.
<b>Clearing Record</b>	A record of a Presentment, Chargeback, Representment, Adjustment, or Reversal in the format necessary to clear the Transaction.
<b>Common Core Definitions</b>	A set of common data definitions and processes, recognized by Visa and MasterCard, between an EMV Chip Card and the Issuer host interface.
<b>Compelling Evidence</b>	Information or documentation provided by a Merchant or an Acquirer in a Representment that attempts to prove that the Cardholder participated in the Transaction, received the goods or services, agreed to Dynamic Currency Conversion, or benefited from the Transaction, as specified in <i>Section 7.2.C.5</i> . Compelling Evidence does not mandate that Interlink, Visa, the Issuer, or any other person conclude, as a matter of fact or law, that the Cardholder participated in the Transaction, received goods or services, agreed to Dynamic Currency Conversion, or otherwise benefited from the Transaction.
<b>Compliance</b>	A process where the Interlink Network Compliance Committee resolves disputes between Members arising from violations of the <i>Interlink Network, Inc. Operating Regulations</i> when the requesting Interlink Member can certify that a financial loss has occurred, or will occur, for a specific amount, and no Chargeback or Representment right is available.
<b>Compliance Committee</b>	See Interlink Network Compliance Committee.
<b>Compromised Account Management System</b>	See CAMS.

<b>Confidential Consumer Cardholder Information</b>	An Account Number, Interlink Transaction Information, or other personally identifiable information relating to a Consumer Cardholder.
<b>Consumer Cardholder</b>	A Cardholder other than a business Cardholder.
<b>Contact Chip</b>	A Chip that uses a contact interface to communicate Transaction data to a Chip-Reading Device.
<b>Contact Chip Card</b>	A VIS-Compliant Chip Card that is able to conduct Transactions through a contact Chip interface.
<b>Contactless Chip Card</b>	A Chip Card that is able to conduct Transactions through a Visa-approved wireless interface.
<b>Contactless Chip-Reading Device</b>	A Point-of-Transaction Terminal that reads the data on a Contactless Chip Card through a Visa-approved wireless interface.
<b>Contactless Payment Transaction</b>	A Transaction completed at a Point-of-Transaction Terminal through a Visa-approved wireless interface.
<b>Contactless-Only Payment Device</b>	A payment device without a Magnetic Stripe or contact Chip that uses a Visa-approved wireless interface to perform Contactless Payment Transactions and is issued as a companion to a corresponding full-size Card.
<b>Counterfeit Card</b>	One of the following: <ul style="list-style-type: none"><li>• A device or instrument that is printed, embossed, or encoded so that it results in a Visa transaction, Interlink Transaction, or Plus transaction but is not a Visa card, Card, or a Plus card because an Issuer did not authorize its printing, embossing, or encoding.</li><li>• An instrument that is printed with the authority of the Issuer and that is subsequently embossed, printed, or encoded without the Issuer's authority.</li><li>• A Visa card, Card, or a Plus card that an Issuer has issued and that is altered or re-fabricated, except one on which the only alteration or re-fabrication comprises modification of the signature panel or Cardholder signature.</li></ul>
<b>Counterfeit Fraud Recovery</b>	<b>Effective 15 May 2012</b> , a component of the Global Compromised Account Recovery program that allocates responsibility and reimbursement for a portion of incremental counterfeit fraud losses incurred as a result of a Magnetic-Stripe data Account Data Compromise Event, including PIN data for events that also involve PIN compromise.

<b>Credit Transaction</b>	A Transaction initiated with a Card at the Merchant's Point-of-Transaction to credit the Cardholder's Account for a return of merchandise originally purchased with the same Card.
<b>Credit Transaction Receipt</b>	A Transaction Receipt evidencing a Merchant's refund or price adjustment to be credited to a Cardholder's account.
<b>Data Encryption Standard</b>	The data encryption standard defined in American National Standards Institute X3.92-1981 for encrypting and decrypting binary coded data.
<b>Decline</b>	An Authorization or Pre-Authorization response indicating that the Transaction is rejected and the Card is not to be honored.
<b>Detail Transaction Report</b>	A report of detail and summary Transaction Records processed by the V.I.P. System on a specific Settlement Day.
<b>Domestic Transaction</b>	A Transaction where the Issuer of the Card used is located in the Transaction Country.
<b>Dynamic Currency Conversion</b>	<p><b>Effective 12 January 2012 through 10 April 2013</b>, the conversion of the purchase price of goods or services from the currency in which the purchase price is displayed to another currency as agreed to by the Cardholder and Merchant. That currency becomes the Transaction Currency, regardless of the Merchant's local currency.</p> <p><b>Dynamic Currency Conversion - Effective 11 April 2013</b>, the conversion of the purchase price of goods or services from the currency in which the purchase price is displayed to another. That currency becomes the Transaction Currency, regardless of the Merchant's local currency.</p>
<b>Dynamic Currency Conversion Transaction Indicator</b>	<p>A VisaNet code submitted by an Acquirer in:</p> <ul style="list-style-type: none"><li>• An Authorization request to indicate that Dynamic Currency Conversion was offered to a Cardholder</li><li>• A Clearing Record to indicate that a Transaction was processed as a Dynamic Currency Conversion Transaction</li></ul>
<b>Dynamic Card Verification Value (dCVV)</b>	An authentication value dynamically generated by a Chip Card and included in the Authorization message.
<b>Dynamic Data Authentication</b>	A cryptographic value generated by a Chip on a Card in an offline environment that uses Transaction-specific data elements and is verified by a Chip-Reading Device to protect against skimming.

<b>Egregious Violation</b>	<p><b>Effective through 7 March 2012</b>, a violation that is not necessarily repetitive or a Willful Violation, yet presents substantial risks to Interlink and its Interlink Members, threatening to adversely affect the:</p> <ul style="list-style-type: none"><li>• Goodwill associated with the Interlink System, brand, products, or services</li><li>• Operations of Interlink or Interlink Members that could cause substantial financial impact</li></ul>
<b>Employee Benefit Card</b>	<p><b>Effective 10 January 2013</b>, a Prepaid Card through which a U.S. Issuer enables employers and benefit administrators to provide employees with a Card that allows direct access to benefits, such as qualified health care, dependent care, and transit expenses.</p>
<b>EMV</b>	<p>See "EMV Integrated Circuit Card Specifications for Payment Systems (EMV)."</p>
<b>EMV Integrated Circuit Card Specifications for Payment Systems (EMV)</b>	<p>Technical specifications developed (jointly by Europay International, MasterCard International, and Visa International) to provide standards for processing debit and credit Transactions, and ensure global interoperability for the use of Chip technology in the payment industry.</p>
<b>EMV PIN Transaction</b>	<p>A Chip-initiated Transaction verified utilizing Online PIN Verification or Offline PIN Verification.</p>
<b>EMV-Compliant</b>	<p>Compliant with the EMV Integrated Circuit Card Specifications for Payment Systems.</p>
<b>Encryption</b>	<p>The method used to protect PIN data by transforming it into cryptographic form.</p>
<b>Encryption and Support Organization</b>	<p>A Non-Member organization whose Interlink Network-related business relationship with an Interlink Member includes one or more of the following:</p> <ul style="list-style-type: none"><li>• Loading software into a Terminal that accepts Cards</li><li>• Loading or injecting Encryption keys into Terminals or PIN Pads</li><li>• Merchant help desk support, including re-programming of Terminal software</li></ul>
<b>Exception File</b>	<p>A VisaNet file of Account Numbers, for which the Issuer has predetermined an Authorization response that a Member accesses online.</p>
<b>Extension</b>	<p>A publication referenced in, and with the same authority as, the <i>Interlink Network, Inc. Operating Regulations</i>. See <i>Section 1.2.C</i>.</p>



<b>Fallback Transaction</b>	A Transaction that is completed using an alternative means of data capture and transmission due to a Chip-Reading Device's inability to read a Chip.
<b>Fed wire</b>	A telecommunications payment transfer service that the United States Federal Reserve System operates.
<b>Flexible Spending Account (FSA) - U.S. Region</b>	<b>Effective 10 January 2013</b> , a Prepaid Card program administered by an employer, in accordance with the U.S. IRS requirements, that permits employees to set aside pre-tax dollars to pay qualified out-of-pocket medical expenses not covered by the employer's health care plan.
<b>Fraud Activity</b>	A Transaction or occurrence where the Cardholder: <ul style="list-style-type: none"><li>• Certifies that he/she did not authorize or participate in the Transaction, or</li><li>• Misrepresented his/her identity or financial status to the Issuer to obtain an Interlink account</li></ul>
<b>Fulfillment</b>	<b>Effective 10 January 2013</b> , a document image that the Acquirer supplies in response to a Transaction Receipt retrieval request.
<b>Full Chip Data</b>	Data that: <ul style="list-style-type: none"><li>• Meets the minimum requirements of the EMV Integrated Circuit Card Specifications for Payment Systems</li><li>• Provides Interlink-specified information necessary to support online cryptographic validation</li><li>• Provides a record of the interaction between a Chip Card and a Chip-Reading Device during a Transaction</li></ul>
<b>Global Chip Fallback Monitoring Program</b>	A monitoring program that identifies Acquirer-country combinations with excessive levels of International Fallback Transactions.
<b>Global Compromised Account Recovery</b>	<b>Effective 15 May 2012</b> , a global Visa fraud recovery program where Visa allocates to affected Members a portion of the Magnetic Stripe counterfeit fraud losses and operating expenses that are associated with an Account Data Compromise Event, including events which also involve the compromise of PIN data.
<b>Global Member Billing Solution</b>	A system that provides Members with a monthly report that details charges assessed to Members. Items appearing on this report will be collected in accordance with the appropriate <i>VisaNet User's Manual</i> .
<b>Group Member</b>	An Interlink Member, as defined in the <i>Interlink Network, Inc. Bylaws</i> .

<b>Health Reimbursement Arrangement (HRA) - U.S. Region</b>	<b>Effective 10 January 2013</b> , an employer-funded Prepaid Card program that reimburses employees, in accordance with the U.S. IRS regulations, for qualified out-of-pocket medical expenses not covered by the employer's health care plan.
<b>Healthcare Auto-Substantiation</b>	<b>Effective 10 January 2013</b> , a process that enables a U.S. Issuer to automatically substantiate the dollar amount of the qualifying medical purchases in the Authorization Request for a Flexible Spending Account or a Health Reimbursement Arrangement Transaction. Issuers and any Agents that process such Transactions must perform Healthcare Auto-Substantiation.
<b>Incremental Counterfeit Fraud</b>	<b>Effective 15 May 2012</b> , actual counterfeit fraud reported by Issuers on Account Data Compromise Event accounts that is above a baseline or "expected" level of fraud reported on non-event accounts during an event's Fraud Window.
<b>Independent Contractor</b>	An individual whose Interlink Network-related business relationship with an Interlink Member or Independent Sales Organization involves Merchant solicitation, sales, or service.
<b>Independent Sales Organization</b>	An organization or individual that is not an Interlink Member and whose Interlink Network-related business relationship with an Interlink Member involves Merchant solicitation, sales or service.
<b>Integrated Circuit Card Verification Value (iCVV)</b>	A Card Verification Value that an Issuer may encode on a Chip instead of the Card Verification Value contained in the Magnetic Stripe Data of a Chip Card.
<b>Interchange</b>	The exchange of Clearing Records between Members.
<b>Interchange Reimbursement Fee</b>	A fee that an Acquirer pays to an Issuer in the Clearing and Settlement of a Transaction.
<b>Interlink</b>	See Interlink Network, Inc.
<b>Interlink Marks</b>	The combination of the Interlink Wordmark, the Network Design Mark, and any other Interlink Marks that Visa U.S.A. adopts for use with the Interlink Program.
<b>Interlink Member</b>	A Member participating in the Interlink Program that agrees to comply with the <i>Interlink Network, Inc. Operating Regulations</i> .
<b>Interlink Network</b>	See Interlink Network, Inc.
<b>Interlink Network Compliance Committee</b>	A committee that resolves certain disputes between Interlink Members that arise from violations of the <i>Interlink Network, Inc. Operating Regulations</i> .

<b>Interlink Network, Inc.</b>	A Delaware corporation which is a subsidiary of Visa U.S.A.
<b>Interlink Network, Inc. Operating Regulations</b>	The Interlink Network operating regulations, including all exhibits thereto and all documents incorporated therein, as amended from time to time.
<b>Interlink Program</b>	A program through which an Interlink Member provides Point-of-Transaction services to Cardholders (acting as an Issuer), to Merchants (acting as an Acquirer), or both, as specified in the <i>Interlink Network, Inc. Operating Regulations</i> .
<b>Interlink Routing ID</b>	A unique 6-digit identifier assigned by Interlink to Interlink POS acquirers for identifying the acquiring institution in Field 32.
<b>Interlink Switch</b>	The telecommunications and processing system, as specified in the <i>Interlink Technical Specifications</i> , operated by Visa U.S.A. to process Transactions.
<b>Interlink System</b>	All of the following: <ul style="list-style-type: none"><li>• Interlink Switch</li><li>• Merchant Interface System</li><li>• Card Authorization System</li></ul>
<b>Interlink Transaction Information</b>	Any Transaction information or data that is contained in the VisaNet: <ul style="list-style-type: none"><li>• Authorization message or</li><li>• Clearing Record</li></ul>
<b>Interlink Wordmark</b>	A portion of the Interlink Marks specifically, the word "Interlink."
<b>International Fallback Transaction</b>	A Fallback Transaction involving a Card issued by a Canadian Interlink Member used at an Interlink Merchant Outlet.
<b>International Service Assessment</b>	A fee charged to Acquirers and Issuers for each International Transaction.
<b>International Transaction</b>	A Transaction involving a Card issued by a Canadian Interlink Member used at a U.S. Interlink Merchant Outlet.
<b>Interregional Interchange</b>	Interchange for an Interregional Transaction.
<b>Interregional Transaction</b>	A Transaction where the Issuer of the Card used is not located in the Transaction Region.

<b>IRF</b>	See "Interchange Reimbursement Fee."
<b>IRF Compliance</b>	A process by which Interlink resolves disputes between Members for a Member's violation of the <i>Interlink Network, Inc. Operating Regulations</i> or the <i>Interlink Interchange Reimbursement Fee Rate Sheet</i> that causes an incorrect Interchange Reimbursement Fee rate to be applied to a large number of Transactions, resulting in a financial loss to another Member.
<b>Issuer</b>	An Interlink Member that issues Cards.
<b>Key Management Service</b>	A service that Visa provides to process, store, and transmit Member keys associated with the security algorithm used in the V.I.P. System, to protect the security of PINs.
<b>Kiosk Shopping Transaction</b>	A purchase Transaction initiated by a Cardholder at a Kiosk Terminal where a Cardholder receives a Transaction Receipt for the purchase of merchandise that will be delivered at a later date.
<b>Kiosk Terminal</b>	A customer-activated terminal through which merchandise is ordered and scheduled for later delivery to the Cardholder.
<b>Late Settlement Fee</b>	The fee that Interlink collects from an Interlink Member for failure to transfer the Settlement Amount at the Interlink Settlement Bank on the date due.
<b>Laundering</b>	A Merchant that deposits Transaction Receipts representing sales of goods or services generated by another Merchant.
<b>Liability</b>	As used in Chapter 1, " <i>General Regulations</i> ," <i>Section 1.13</i> , any liability under any theory or form of action whatsoever, in law or in equity, including, without limitation, contract or tort, including negligence, even if the responsible party has been notified of the possibility of such damages. The term also includes liability for infringement of others' intellectual property rights or any liability for Claims of third parties.
<b>Magnetic Stripe</b>	The Magnetic Stripe on a Card that contains the necessary information to complete a Transaction.
<b>Magnetic-Stripe Data</b>	Data contained in a Magnetic Stripe and replicated in a Chip.
<b>Magnetic-Stripe Terminal</b>	A Terminal that reads the Magnetic-Stripe on a Card.
<b>Mark</b>	A word, name, design, symbol, or other device, or any combination thereof, that an entity adopts to identify its goods or services.
<b>Maximum Purchase Amount Limits</b>	Monetary amounts established by an Issuer above which the V.I.P. System does not provide Stand-In Processing for Transactions.

<b>Member</b>	An organization that is a Member of Visa U.S.A or Visa Canada and participates in one or more categories of membership as defined in the <i>Interlink Network, Inc. Bylaws</i> and performs functions/activities appropriate to those categories.
<b>Member Message Field</b>	A text field in the Clearing Record (Field 125) of a Chargeback or Representment that contains pre-formatted messages.
<b>Merchant</b>	An entity that contracts with an Acquirer to originate Transactions and that displays the Interlink Marks.
<b>Merchant Affiliate</b>	An Affiliate Member that has signed a Merchant Agreement with a Merchant.
<b>Merchant Agreement</b>	A contract between a Merchant and an Acquirer containing their respective rights, duties, and obligations for participation in the Acquirer's Interlink Program.
<b>Merchant Category Code</b>	A code designating the principal trade, profession, or line of business in which a Merchant is engaged, as specified in the <i>Visa Merchant Data Standards Manual</i> .
<b>Merchant Descriptor</b>	<p>A term describing the aggregate of the BIN, Merchant name, Merchant city, Merchant state, and Merchant Category Code fields contained in an Authorization request or Clearing Record, as specified in the:</p> <ul style="list-style-type: none"><li>• Interlink Technical Specifications</li><li>• Appropriate VisaNet User's Manuals</li></ul> <p>A Merchant Outlet may have one or more Merchant Descriptors.</p>
<b>Merchant Interface System</b>	The telecommunications and processing system, as specified in the <i>Interlink Technical Specifications</i> , operated by or on behalf of, an Acquirer, through which Transactions originating at Merchants of that Acquirer are processed and routed to the Interlink Switch.
<b>Merchant Outlet</b>	The physical premises of the Merchant at which a Transaction is completed.
<b>Merchant Servicer</b>	<p>A third-party agent that:</p> <ul style="list-style-type: none"><li>• Is engaged by a Merchant</li><li>• Is not a Member of Interlink Network, Inc.</li><li>• Is not directly connected to VisaNet</li><li>• Is party to the Authorization and/or Clearing message and</li><li>• Has access to Cardholder data, or processes, stores, or transmits Transaction data</li></ul>

<b>Multi-Currency Priced Transaction</b>	A Transaction in which a Merchant displays the price of goods or services in a currency or currencies other than, or in addition to, the Merchant's local currency. No Dynamic Currency Conversion is conducted.
<b>Network Design Mark</b>	The Interlink Marks owned by Visa U.S.A. used in the Interlink Program.
<b>Non-Member</b>	<p>An organization or individual that is not an Interlink Member and that provides Interlink Network services to an Interlink Member as any of the following:</p> <ul style="list-style-type: none"><li>• Encryption and Support Organization</li><li>• Independent Contractor</li><li>• Independent Sales Organization</li><li>• Processor</li></ul>
<b>Non-Member Application Packet</b>	The Non-Member application packet completed as part of the Non-Member Registration Program, as specified in the <i>Interlink Network, Inc. Non-Member Registration Program Application Packet (Exhibit F)</i> .
<b>Non-Member Registration Program</b>	The Non-Member Registration Program, as specified in Chapter 1, "General Regulations."
<b>Non-Reloadable Card</b>	A Prepaid Card product for which the Issuer is not permitted to process any additional funding transactions after the initial funding.
<b>Notification</b>	Written notice delivered by mail, courier, facsimile, hand, e-mail, or other electronic delivery method. Notification is effective when posted, sent, or transmitted by Interlink to the Interlink Member or its Agent.
<b>Numeric ID</b>	Any identifier, other than a BIN, assigned by Interlink to an Interlink Member, Processor, or Agent, including but not limited to Processor Control Records (PCR), Station IDs, and Routing IDs used to facilitate transaction routing and processing.
<b>Offline PIN Verification</b>	A process used to verify a Cardholder's identity by comparing a PIN entered at a Chip-Reading Device to the PIN value contained in the Chip.
<b>Online Card Authentication Cryptogram</b>	A cryptogram generated by a Chip Card during a Transaction and used to validate the authenticity of the Card.
<b>Online PIN Verification</b>	A process used to verify the Cardholder's identity by sending an encrypted PIN value to the Issuer or the Issuer's Agent for validation in an Authorization Request.

<b>Operating Expense Recovery</b>	<b>Effective 15 May 2012</b> , a component of the Global Compromised Account Recovery (GCAR) program that allocates responsibility and reimbursement for a portion of Issuers' estimated operational expenses incurred as the result of a compromise of Magnetic-Stripe data, and PIN data for Account Data Compromise Events that also involve PIN compromise.
<b>Operational Date</b>	The date on which an Interlink Member or Merchant begins processing Transactions.
<b>Paper Audit Tape/Journal</b>	A hard copy report of each Transaction Record that is created and maintained by the Merchant to reference or reconcile Transactions processed.
<b>Partial Authorization</b>	An Authorization approved by an Issuer for an amount less than that specified in the Authorization request sent by the Merchant.
<b>Partial Pre-Authorization</b>	A Pre-Authorization approved by an Issuer for an amount less than that specified in the Pre- Authorization request sent by the Merchant.
<b>Payment Application</b>	A software application contained within a Chip that defines the parameters for processing a Transaction.
<b>Payment Card Industry Data Security Standard</b>	A set of comprehensive requirements that define the standard of due care for protecting sensitive Cardholder information.
<b>Payment Card Industry Payment Application Data Security Standard</b>	A data security standard that specifies security requirements for third-party payment application software that stores, processes, or transmits Cardholder data.
<b>PIN</b>	A personal identification alpha or numeric code that identifies a Cardholder in an Authorization request originating at a Terminal with electronic capability.
<b>PIN Entry Device</b>	See PIN Pad.
<b>PIN Management Requirements Documents</b>	A suite of PIN security documents that includes: <ul style="list-style-type: none"><li>• <i>PCI PIN Transaction Security (PTS) – PIN Security Requirements</i></li><li>• <i>PCI PIN Transaction Security (PTS) – Point of Interaction (POI) Modular Security Requirements</i></li></ul>
<b>PIN Pad</b>	A device through which a Cardholder enters his/her PIN that complies with the applicable provisions of the <i>Interlink Technical Specifications</i> and the PIN Management Requirements Documents.

<b>PIN Security Audit Package</b>	<p>Effective through 31 December 2013, all of the following:</p> <ul style="list-style-type: none"><li>• <i>"PIN Security Requirements Self-Audit Compliance Statement"</i></li><li>• <i>"PIN Security Requirements Self-Audit Processing Environment"</i></li><li>• <i>"PIN Security Requirements Self-Audit Exception Form"</i></li></ul>
<b>PIN Verification</b>	<p>A procedure used to verify the Cardholder's identity when a PIN is used in an Authorization or Pre-Authorization request.</p>
<b>PIN Verification Service</b>	<p>A service that Interlink provides for the verification of Cardholder PINs transmitted with Authorization requests.</p>
<b>PIN Verification Value</b>	<p>A four-digit value used in PIN Verification.</p>
<b>POS Entry Mode</b>	<p>A VisaNet field indicating the method used to obtain and transmit the Card information necessary to complete a Transaction, e.g., manual key entry, Magnetic Stripe-read, Chip-read.</p>
<b>Point-of-Transaction</b>	<p>The physical location at which a Merchant or an Unattended Cardholder-Activated Terminal completes a Transaction Receipt.</p>
<b>Point-of-Transaction Terminal</b>	<p>A device used at the Point-of-Transaction that reads data from the Magnetic Stripe or the Chip on a Card and is able to obtain an Authorization and process Transaction Receipt data.</p>
<b>Post-Issuance Application Change</b>	<p>A method that enables a Chip Card Issuer to modify or block an application already residing on a Chip.</p>
<b>Post-Issuance Application Load</b>	<p>A method that enables an Issuer to add an application or service to the contents of a Chip without reissuing a Card.</p>
<b>Post-Issuance Updates</b>	<p>A method that enables an Issuer to update information stored in a Chip without reissuing the Card. There are 2 types of Post-Issuance Updates:</p> <ul style="list-style-type: none"><li>• Post-Issuance Application Change</li><li>• Post-Issuance Application Load</li></ul>
<b>Pre-Authorization</b>	<p>The approval, in advance, of a Transaction up to a specified amount either by or on behalf of an Issuer. Pre-Authorizations require the Acquirer to initiate two messages to complete the transaction: the Pre-Authorization Request and the Pre- Authorization Completion.</p>
<b>Pre-Authorization Completion</b>	<p>A message that is used by Acquirers to update a Pre- Authorization Request with the final amount of the purchase.</p>
<b>Pre-Authorization Request</b>	<p>A message that is used by Acquirers to authorize a Transaction for an estimated amount before the final amount of the purchase is known.</p>



<b>Prepaid Account</b>	An account established by an Issuer with previously deposited funds, which will be decremented by a purchase Transaction, Cash Back Transaction, or any applicable account fees.
<b>Prepaid Card</b>	A Card used to access funds in a: <ul style="list-style-type: none"><li>• Prepaid Account or</li><li>• Card where monetary value is stored on a Chip</li></ul>
<b>Presentment</b>	A Clearing Record that an Acquirer presents to an Issuer through Interchange, either initially (a first Presentment) or after a Chargeback (a Representment).
<b>Primary Account</b>	A checking, savings, or other designated Account maintained by a Cardholder against which Transactions are posted.
<b>Principal Member</b>	An Interlink Member, as defined in the <i>Interlink Network, Inc. Bylaws</i> .
<b>Processing Date</b>	The date (based on Greenwich Mean Time) on which a Member submits Interchange Data to, and the data is accepted by, a VisaNet Interchange Center. Equivalents to the Processing Date are: <ul style="list-style-type: none"><li>• In BASE II, the Central Processing Date</li><li>• In the Single Message System, the Settlement Date</li></ul>
<b>Processor</b>	An Interlink Member, Visa, or Visa-approved Non-Member acting as the Agent of an Interlink Member that provides Authorization, Clearing, or Settlement services for Merchants and Interlink Members.
<b>Qualified Supermarket</b>	A supermarket Merchant that processes Transactions in accordance with <i>Section 5.3.D</i> .
<b>Qualifying CAMS Event</b>	<b>Effective 15 May 2012</b> , a CAMS Event that qualifies for recovery, through the Global Compromised Account Recovery program, of a portion of affected Members' losses due to a violation involving at least one of the following: <ul style="list-style-type: none"><li>• Payment Card Industry Data Security Standard (PCI DSS)</li><li>• PIN Management Requirements Documents</li><li>• Visa PIN Security Program Guide</li></ul>

<b>Quasi-Cash Transaction</b>	<p>A Transaction representing a Merchant's sale of items that are directly convertible to cash, such as:</p> <ul style="list-style-type: none"><li>• Casino gaming chips</li><li>• Foreign currency</li><li>• Money orders</li><li>• Travelers cheques</li><li>• Visa TravelMoney cards</li></ul>
<b>Reason Code</b>	<p>A VisaNet code that provides additional information to the Interlink Member regarding a Chargeback or Representment.</p>
<b>Recalled BIN</b>	<p>The status of a BIN released back to Interlink, indicating its eligibility for deletion from VisaNet based on the effective recall date.</p>
<b>Reloadable Card</b>	<p>A Prepaid Card product for which the Issuer is permitted to process any additional funding transactions after the initial funding.</p>
<b>Remote Shopping Service</b>	<p>A service that enables a Cardholder to initiate purchases for merchandise or services utilizing a Remote Terminal.</p>
<b>Remote Terminal</b>	<p>A Terminal used to process a Remote Shopping Transaction under the following conditions:</p> <ul style="list-style-type: none"><li>• Card is present</li><li>• Cardholder is present</li><li>• Cardholder initiates the Transaction, including swiping a Card in a Magnetic-Stripe Terminal and entering a PIN</li><li>• Authorization is obtained electronically</li><li>• Individual representing the Merchant is not involved in completing the Transaction</li></ul> <p>Transactions at Remote Terminals exclude Unattended Cardholder-Activated Terminals.</p>
<b>Representment</b>	<p>A Clearing Record that an Acquirer presents to an Issuer through Interchange after a Chargeback.</p>
<b>Response Time</b>	<p>The time period in which an Issuer or its Processor must forward an Authorization response to the V.I.P. System, after which the V.I.P. System will invoke Stand-In Processing.</p>
<b>Reversal</b>	<p>An Acquirer or Merchant generated Transaction used to cancel a previous Transaction that has timed out or was not acknowledged.</p>
<b>Sales Draft</b>	<p>A paper sales draft used to complete a Transaction when the Merchant online system is down.</p>

<b>Scrip</b>	A two-part paper receipt dispensed by a Scrip Terminal that is redeemable at a Merchant Outlet for goods, services, or cash. Scrip is prohibited in the Interlink System.
<b>Scrip Terminal</b>	A Terminal that prints Scrip.
<b>Security Audit Certification</b>	A statement that there have been no substantive changes in the operations of an Interlink Member or Processor since its last Security Self-Audit.
<b>Security Review Committee</b>	<p><b>Effective through 31 December 2013</b>, a committee that:</p> <ul style="list-style-type: none"><li>• Reviews a report describing the "<i>PIN Security Requirements Self-Audit Exception Form</i>," as specified in Section 2.3.C and</li><li>• Recommends to the President of the Interlink Network action to correct the exception and a timetable for implementing the corrective action</li></ul>
<b>Security Self-Audit</b>	An audit performed by each Interlink Member and verified by an internal or external auditor prior to commencing participation in the Interlink Network, as specified in Chapter 2, " <i>Risk Management &amp; Security</i> ."
<b>Service Code</b>	A valid sequence of digits recognized by VisaNet that is encoded on a Magnetic Stripe and replicated in the Magnetic-Stripe Data in a Chip that identifies the circumstances under which the Card is valid (e.g., International Transactions, Domestic Transactions, restricted Card use), and defines requirements for processing a Transaction with the Card (e.g., Chip-enabled, Cardholder verification).
<b>Settlement</b>	The reporting and transfer of Settlement Amounts owed by one Interlink Member to another, or to Interlink, as a result of Clearing.
<b>Settlement Account</b>	An account maintained by an Interlink Member or Interlink at its designated Settlement Bank to effect Settlement.
<b>Settlement Amount</b>	The net dollar amount of all Transaction Records excluding fees, fines dues or assessments, and off-line Transaction processing totals for a given Settlement Day.
<b>Settlement Bank</b>	A bank, including a correspondent or intermediary bank, that is authorized to execute Settlement of Interchange on behalf of the Interlink Member or the Interlink Member's bank.
<b>Settlement Currency</b>	A currency that Visa uses to settle Interchange, as specified in the VisaNet manuals.
<b>Settlement Date</b>	The date on which funds transfer occurs in settlement of Interchange.

<b>Settlement Day</b>	The period between the cut-off times established for Settlement by the Interlink Network.
<b>Security Self-Audit</b>	An audit performed by each Interlink Member and verified by an internal or external auditor prior to commencing participation in the Interlink Network, as specified in Chapter 2, " <i>Risk Management &amp; Security</i> ."
<b>SIGIS</b>	<b>Effective 10 January 2013</b> , the Special Interest Group for Inventory Information Approval System (IIAS) Standards, a U.S. industry trade group chartered with implementing processing standards for Healthcare Auto-Substantiation Transactions in accordance with Internal Revenue Service regulations and responsible for licensing and certifying Merchants, Members, and Agents that process such Transactions.
<b>Single Message Service</b>	A VisaNet service that enables a Member to process online financial and deferred Clearing Transactions through a single VisaNet interface.
<b>Special Merchant</b>	A Merchant, as determined by Visa Risk Management, whose Acquirer is subject to Chargeback rights for specific Transactions, as specified in Chapter 2, " <i>Risk Management &amp; Security</i> ."
<b>Stand-In Processing</b>	The V.I.P. System component that provides Authorization services on behalf of an Issuer when the Issuer or its authorizing Processor is unavailable.
<b>Static Data Authentication</b>	A type of offline data Authentication specified in the <i>Visa Integrated Circuit Card Specification (VIS)</i> where the terminal validates a cryptographic value that was placed on the Chip during personalization.
<b>Terminal</b>	<p><b>Effective through 31 December 2013</b>, a device used at the Point-of-Transaction through which a Transaction may be processed and that complies with the applicable provisions of the <i>Interlink Technical Specifications</i> and the PIN Management Requirements Documents.</p> <p><b>Effective 1 January 2014</b>, a device used at the Point-of-Transaction through which a Transaction may be processed and that complies with the Interlink Technical Specifications, PIN Management Requirements Documents, and <i>Visa PIN Security Program Guide</i>.</p>
<b>Terminal Risk Management</b>	<p>A process performed by a Chip-Reading Device to protect a Member from fraud by:</p> <ul style="list-style-type: none"><li>• Initiating online Issuer Authorization for above-Floor Limit Transactions</li><li>• Ensuring random online processing for below-Floor Limit Transactions</li><li>• Performing Transaction velocity checking</li></ul>

<b>Terminal Standardization Program</b>	A Visa service that tests Point-of-Transaction equipment for compliance with standards for compatibility with VisaNet and reports the results to Members.
<b>Trace Number</b>	The number assigned by the Merchant Interface System to identify a Transaction.
<b>Trade Name</b>	A name used to identify a business and to distinguish its activities from those of other businesses. In some cases, the same words or symbols may serve as a Trade Name and a Mark simultaneously.
<b>Transaction</b>	The act between a Cardholder and a Merchant that results in the generation of a Transaction Receipt.
<b>Transaction Country</b>	The country in which the Merchant Outlet is located, regardless of the Cardholder's location when a transaction occurs.
<b>Transaction Currency</b>	The currency in which a Transaction is originally completed.
<b>Transaction Date</b>	The calendar date on which a Transaction between a Cardholder and a Merchant occurs. The transaction date of a Pre-Authorization Transaction may differ from the calendar date on which the Pre-Authorization request was initiated by the Cardholder or received by the Issuer.
<b>Transaction Receipt</b>	An electronic or paper record of a Transaction (or a copy), generated at the Point-of- Transaction. The <i>Interlink Network, Inc. Operating Regulations</i> refers to the following types of Transaction Receipt: <ul style="list-style-type: none"><li>• Transaction Record</li></ul>
<b>Transaction Receipt Retrieval and Retention</b>	<b>Effective 10 January 2013</b> , an automated process for transmitting retrieval requests and Fulfillments for U.S. domestic Interlink Transactions and for monitoring the integrity and quality of the service through Visa Resolve Online, as specified in the <i>Visa Healthcare Auto-Substantiation Transactions Retrieval of SIGIS Receipt Detail Implementation Guide</i> .
<b>Transaction Record</b>	A paper record issued by, or in connection with, a Point-of-Transaction Terminal.
<b>Unattended Cardholder-Activated Terminal</b>	A Point-of-Transaction Terminal at which a Cardholder initiates a Transaction and that: <ul style="list-style-type: none"><li>• Is managed by the Merchant</li><li>• Accepts PINs</li><li>• Reads, captures, and transmits Card information without an attendant physically present to assist in completing the Transaction</li><li>• Dispenses goods, provides services, or both</li></ul>

<b>U.S. Covered Debit Card</b>	A Card issued in the U.S.A. or in a U.S. territory that accesses a transaction, savings or other asset account, regardless of whether Cardholder verification is based on signature, PIN or other means, but solely to the extent any such Card is a “debit card” as defined in Federal Reserve Board Regulation II, 12 CFR Part 235.
<b>Variance</b>	Formal consent, granted by Interlink, that permits a Member or Members to not comply with one or more specific rules in the <i>Interlink Network, Inc. Operating Regulations</i> for an unspecified period of time. A Variance may include specific conditions, and may be repealed or modified at the discretion of Interlink.
<b>V.I.P. System</b>	VisaNet Integrated Payment System. The VisaNet Authorization, Clearing and Settlement services provided to Members. The V.I.P. System consists of both BASE I and the Single Message System.
<b>VIS-Compliant</b>	A Card application that either: <ul style="list-style-type: none"><li>• Complies with the requirements specified in the <i>Visa Integrated Circuit Card Specification (VIS)</i> and has been approved by Visa or</li><li>• Complies with the requirements specified in the <i>EMV Common Payment Application Specifications</i> and has been personalized to a Common Core Definition-compliant profile and approved by EMVCo</li></ul>
<b>Visa</b>	Visa International Service Association and all of its subsidiaries and affiliates.
<b>Visa Blue Color</b>	A unique blue color designated for use and reproduction of the Visa-owned marks and other printed materials.
<b>Visa Gold Color</b>	A unique gold color designated for use and reproduction of the Visa-owned marks and other printed materials.
<b>Visa Healthcare Auto-Substantiation Transactions Documents</b>	<b>Effective 10 January 2013</b> , a suite of documents that includes: <ul style="list-style-type: none"><li>• Visa Healthcare Auto-Substantiation Transaction Consolidated Technical Requirements</li><li>• Visa Healthcare Auto-Substantiation Transaction Retrieval of SIGIS Receipt Detail Implementation Guide</li><li>• Visa Healthcare Auto-Substantiation Transaction Service Description and Implementation Guide</li></ul>
<b>Visa International</b>	See Visa.
<b>Visa Merchant Direct Exchange Merchant</b>	A Merchant that directly enters Authorization requests or online financial transactions into the V.I.P. System.

<b>Visa Resolve Online</b>	An online Visa service for the retrieval and transmission of dispute resolution information and documentation.
<b>Visa Micro Tag</b>	<b>Effective 12 December 2013</b> , a Contactless Chip Card issued as a companion to a corresponding full-size Card, as specified in the <i>Visa Product Brand Standards</i> .
<b>Visa payWave Application</b>	<b>Effective 1 May 2013</b> , a Visa application contained on a Chip that enables a Visa Contactless Payment Specification compliant Contactless Payment Transaction to be performed.
<b>Visa Smart Payment Application</b>	EMV-Compliant and VIS-Compliant applications that provide payment service options and controls to Issuers of Chip Cards bearing the Interlink Marks, Visa Brand Mark, or Visa Brand Mark with the Electron Identifier.
<b>Visa Transaction Alerts Service</b>	An optional Visa service that enables Cardholder notification of Transactions occurring on their Cards or accounts.
<b>Visa U.S. Common Debit Application Identifier – U.S. Region [NEW]</b>	An EMV-compliant Application Identifier licensed for use with EMV and VIS-based applications for the purpose of processing a transaction covered by the Dodd-Frank Act and Federal Reserve Board Regulation II on certain debit products.
<b>Visa U.S. Regulation II Certification Program</b>	<p>A certification program that enables an Issuer in the U.S. Region or in a U.S. territory to certify the status of its consumer debit, business debit, and prepaid portfolios in alignment with U.S. Federal Reserve Board Regulation II, 12 CFR Part 235.</p> <p>The program also enables an Issuer in the U.S. Region or in a U.S. Territory to notify Visa of its compliance with the final fraud-prevention standards of the U.S. Federal Reserve Board Regulation II, 12 CFR Part 235.</p>
<b>Visa U.S.A.</b>	Visa U.S.A. Inc.
<b>Visa U.S.A. Board of Directors</b>	The Visa U.S.A. Board of Directors.
<b>VisaNet</b>	The systems and services, including the V.I.P. System and BASE II, through which Visa delivers Authorization, Clearing, and Settlement services to Members.
<b>VisaNet Access Point</b>	Visa hardware or software, or other Visa-approved means of authorized access, that provides access to VisaNet and is located on the premises of a Member, non-Member agent of a Member, or Merchant.
<b>VisaNet Access Resumption Service</b>	A Visa service that provides connectivity to the V.I.P. System for subscribers that use alternate processing locations designated by Visa during a disaster.

<b>VisaNet Interchange Center</b>	A Visa facility that operates the VisaNet data processing systems and support networks.
<b>VisaNet Test System</b>	The hardware, software, and documentation software provided by Visa for use during the certification process.
<b>Waiver</b>	Temporary formal consent, granted by Interlink, that permits a Member or Members to not comply with one or more specific rules in the <i>Interlink Network, Inc. Operating Regulations</i> for a specified period of time. A Waiver may include specific conditions, and may be repealed, modified, or extended at the discretion of Interlink



